Municipal Affairs Annual Report

1985/1986

87-04264/

Alberta
MUNICIPAL AFFAIRS

Office of the Minister

227 Legislature Building, Edmonton, Alberta, , Canada T5K 2B6 403/427-3744

The Honourable David Carter
Speaker of the Assembly

Dear Sir:

I have the honour to submit the Annual Report of Alberta Municipal Affairs for the period of April 1, 1985 to March 31, 1986.

Respectfully submitted,

Neil Crawford

Neil Crawford
Minister of Municipal Affairs

Alberta
MUNICIPAL AFFAIRS

Office of the Deputy Minister

Jarvis Building, 9925-107 Street, Edmonton, Alberta, Canada T5K 2H9 403/427-4826

Honourable Neil Crawford, Q.C.
Minister of Municipal Affairs
Government of Alberta
227 Legislature Building

Dear Sir:

I take pleasure in presenting to you the Annual Report setting out the activities of Alberta Municipal Affairs for the period April 1, 1985 to March 31, 1986.

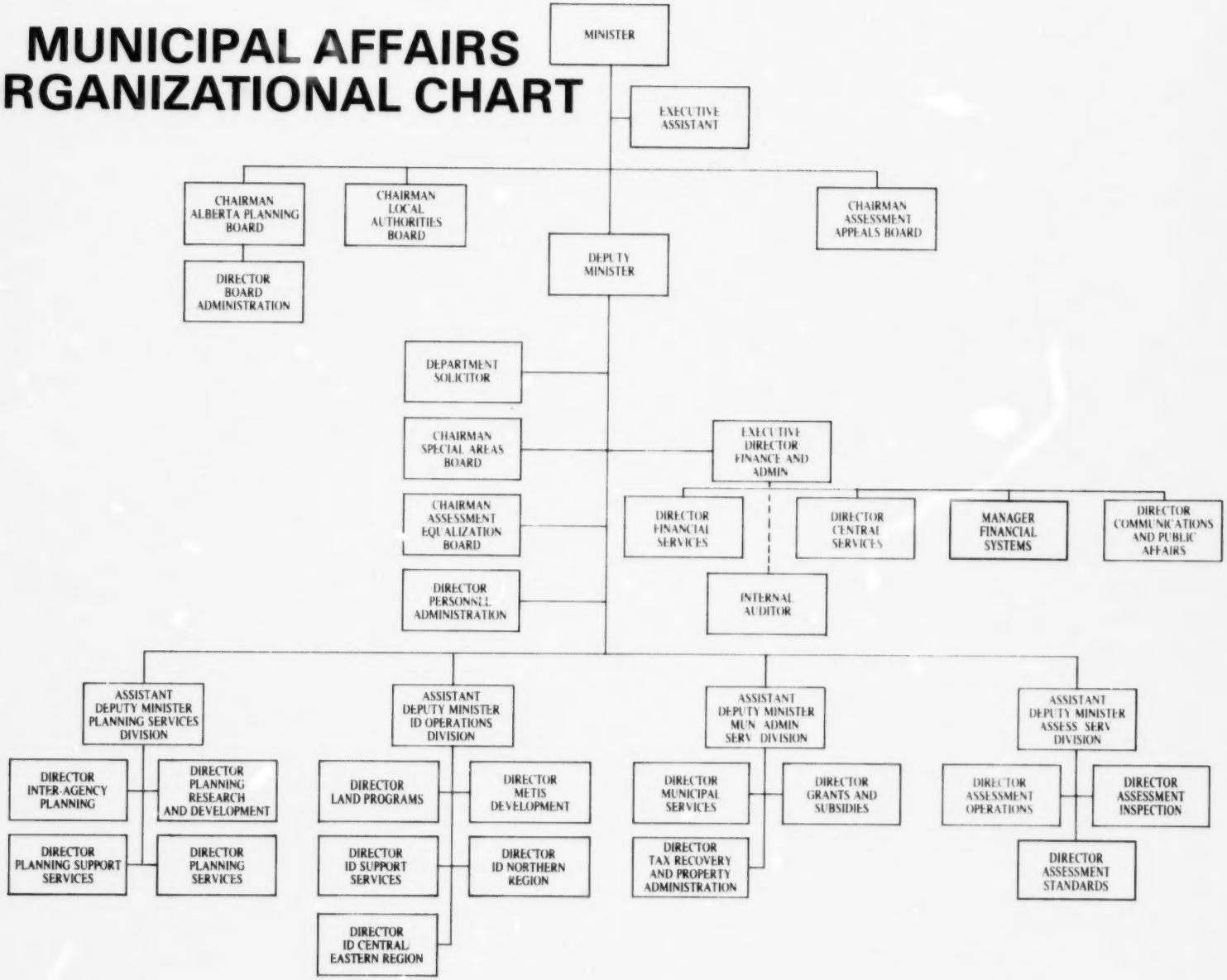
Respectfully submitted,

Archie R. Grover
Deputy Minister

CONTENTS

Alberta Municipal Affairs Organizational Chart 7
Acts Administered by Alberta Municipal Affairs 8
Office of the Deputy Minister 9
Finance and Administration Division 11
Planning Services Division 15
Improvements Districts Operations Division 23
Municipal Administrative Services Division 29
Assessment Services Division 35
Associated Boards 39

MUNICIPAL AFFAIRS ORGANIZATIONAL CHART



ACTS ADMINISTERED BY ALBERTA MUNICIPAL AFFAIRS

Agricultural Relief Advances Act

Assessment Appeal Board Act

Border Areas Act

Calgary-Canadian Pacific Transit Agreement Act

Calgary (City of) and Calgary Power Agreement Act

Calgary (City of) and Calgary Power Ltd. Agreement Authorization Act, 1972

Calgary Exhibition and Stampede Limited, An Act to Authorize and Permit the City of Calgary To Enter into a Certain Lease With

County Act

Crowsnest Pass Municipal Unification Act

Department of Municipal Affairs Act

Edmonton (City of) and Calgary Power Ltd. Agreement Validation Act

Edmonton – Meadowview Agreement Act

Electric Power and Pipeline Assessment Act

Improvement Districts Act

Lloydminster Municipal Amalgamation Act

Local Authorities Board Act

Local Authorities Election Act

Local Tax Arrears Consolidation Act

Medicine Hat Gas Purchase Act, The City of

Medicine Hat Power Plant Extension Act

Metis Betterment Act

Metis Betterment Act Restoration Act

Mewata Park Enabling Act

Mobile Equipment Licensing Act Repealed 1979

Municipal and Provincial Properties Valuation Act

Municipal and School Administration Act

Municipal Debt Reduction Act

Municipal District of Clearwater No. 99 Incorporation Act

Municipal District of Cypress No. 1 Incorporation Act

Municipal Financing Statutes Amendment Act, 1984

Municipal Government Act

Municipal Taxation Exemption Act

Municipal Taxation Act

Municipalities Assessment and Equalization Act

New Towns Act

Northeast Alberta Regional Commission Act

Planning Act

Property Tax Reduction Act

Regional Municipal Services Act

Smoky Lake Gas Utility Act, The Town of

Special Areas Act

Tax Recovery Act

Water Resources Commission Act

Office of the Deputy Minister

SOLICITOR' S OFFICE

The solicitor's office, located in the Jarvis Building but staffed by a lawyer from the Attorney General's department, provides diverse legal services to Alberta Municipal Affairs and its associated boards. These include:

- the supply of legal advice and written opinions usually related to legislation administered by Alberta Municipal Affairs;
- the review and preparation of documents including contracts required by the department;
- court appearances, where required, on behalf of the department including representation before the courts on behalf of the Alberta Planning Board, Alberta Assessment Appeal Board and the developments appeal boards in the improvement districts;
- reviewing proposed legislation and the revision of existing legislation and regulations; and
- participation in special projects.

PERSONNEL ADMINISTRATION

The Personnel Branch works toward providing a productive, efficient, qualified and stable work force for Alberta Municipal Affairs. To this objective the following are some of the major initiatives and changes introduced during the 1985/86 fiscal year:

- with the acquisition of a micro-computer a computerized management inventory database has been established for all managers within the department;
- a number of initiatives occurred within the Occupational Health & Safety area with specific reference to,

  - provision of defensive driver training,
  - development of an improved method of record keeping of safety statistics, accident reporting, investigation and follow-up procedures,
  - development of policy and program content for a departmental vehicle safety program,
  - a review of existing safety policies and procedures with the view of implementing revisions where necessary, and
  - implementation of a controlled safety orientation program for all new and re-assigned employees, and

- in conjunction with the Personnel Administration Office, the branch has developed and is in the process of developing automated personnel management information systems regarding absence time reports, training statistics and costs, automated personnel inventories, automated position control and tracking system and automated recruitment and selection statistics.

Other significant data for this fiscal period include:

- no permanent manpower positions were added to the department;
- nine classified positions were deleted;
- at the end of this fiscal period there were 665 permanent positions in the departments;
- there were 97 positions filled during the year - 61 by competition and 36 by exemption;
- the average number of wage employees was 280;
- 171 classification submissions were processed;
- 199 employees in the department received staff training through the department's training program or through the personnel administration office;
- formal grievance cases continue to remain relatively low; and
- nine employees were receiving long term disability insurance as of March 31, 1986.

Finance and Administration Division

FINANCE AND ADMINISTRATION DIVISION

The division is responsible for providing support services and financial controls through:

- Central Services Branch
- Communications Branch
- Financial Services Branch
- Financial Systems
- Internal Audit

Central Services Branch

This branch provides support services to the operational divisions of the department in the following areas: data processing, records management, library services, office accommodation and purchasing. The key focus of the branch centres on playing an integral part in the collection, storage and utilization of all forms of information within the department, using both manual and automated systems.

Major activities in the current year included:

- the enhancement of the forms management and records scheduling programs, resulting in better user access to information as well as significant savings in expenditures;
- co-ordinated the replacement of the Metis Development and Improvement District Operations branch offices in High Prairie, following the total destruction of the previous offices due to fire;
- modified automated assessment systems to accommodate the new 1984 Assessment Manual;
- initiated the exchange of assessment data, in digital form, with the private sector;
- enhanced program delivery of online access to Senior Citizens' Rental Assistance Program data, particularly relative to over-the-counter requests;
- installed upgrades to the department minicomputer to allow the installation of office automation for management staff;
- prepared documentation to support the development of the Alberta Provincial Assessment System;
- worked with the Metis Development Branch to evaluate automation alternatives with reference to their land registry needs; and
- participated with the Assessment Services Division and the City of Spruce Grove on the development of a residential calculation system for assessment purposes.

Members of the branch also took part in interdepartmental committees working towards the development of an Alberta Land Registry, the co-ordination of land-related information systems, and the development of electronic data processing guidelines for the provincial government as a whole.

Communications Branch

This branch functions as an arm of the Alberta Public Affairs Bureau by providing a complete internal and external communication service to Alberta Municipal Affairs and its associated boards.

This service encompasses:

- preparing an annual communication plan;
- conducting communication research;
- providing public relations counsel;
- liaising with the media;
- co-ordinating advertising, print, graphic, display and audio-visual needs; and
- publishing the staff newsletter - Municipal Affairs, and the magazine - Municipal Counsellor.

During the 1985/86 year, the branch continued its communication research and planning activities to ensure program managers the most cost-efficient and accurate communication approaches.

In preparation for the October 1986 municipal elections the Branch co-ordinated the printing of materials for the Municipal Services Branch.

In order to increase awareness of Alberta's eight Metis settlements a display was created for the Metis Development Branch. It was on show at the Improvement Districts association convention in early March. It will be further upgraded during the 1986/87 year.

Also at the ID convention the Branch put together a comprehensive slide show with sound track, depicting scenes from all the province's IDs and their advisory councillors in action.

As part of the internal communication plan initiated in the 1984/85 fiscal year, employees were able to access senior management through the confidential 'Dialogue' program. Questions and suggestions can be directed anonymously to senior managers. Another component of the internal plan were the one-day managers meetings for all departmental managers. These meetings provided an opportunity for managers to review and discuss the department's past year and coming year's plans.

A visual identity was developed for the Municipal

Administrative Services Division and was successfully used in several of their publications, including some of the municipal elections materials.

News release activity continued with 45 releases issued through the year.

Financial Services Branch

This branch is responsible for providing accounting and financial management services to the department and its related boards and agencies through:

- Departmental Accounting and Budgeting section
- Trust Fund Accounting section
- Property Taxation section

In 1985/86 major emphasis was placed on completing the implementation of a new general ledger system for trust funds. As a result of this effort, considerable time was saved in completion of the 1985 year end financial statements for the Improvement Districts and Special Areas trust accounts.

Financial Systems Section

The Trust Fund Accounting General Ledger system was implemented. The system maintains ledgers and provides monthly financial information for the Improvement Districts, Special Areas Trusts, Metis Betterment and Metis Settlement Trusts, and for the Alberta Planning Fund.

Installation of the Water and Sewer Accounts Receivable system was completed. The system is now operating in improvement district offices throughout Alberta.

Maintenance and support was provided for each of the four installed computer systems.

Policies and procedures manuals were maintained. A re-organization and re-structuring of the policies and procedures was begun. When completed, a separate volume will exist for each of the five user groups within the department.

1985/86 Expenditures Classified by Program

a) Financial Support for Municipal Programs $224,026,811 or 60.9%

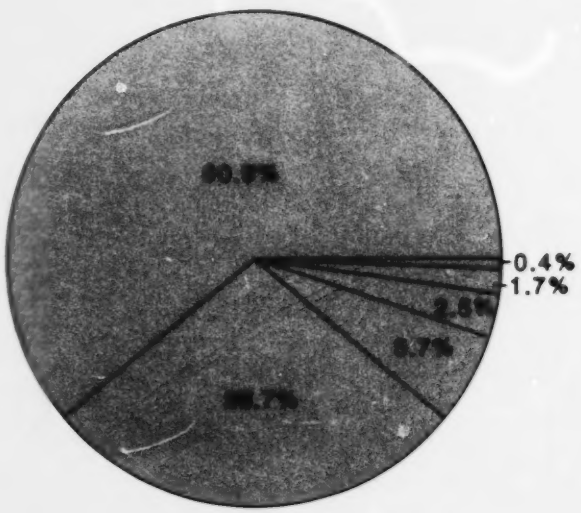
b) Alberta Property Tax Rebate to Individuals $105,449,043 or 28.7%

c) Administrative and Technical Support to Municipalities $20,793,768 or 5.7%

d) Support to Community Planning $9,289,885 or 2.5%

e) Departmental Support $6,553,716 or 1.7%

f) Regulatory Boards $1,565,014 or 0.4%



Total Expenditure (Unaudited) $367,768,000 (Actual)

Internal Auditor

The Internal Auditor reports administratively to the Audit Committee comprising the Deputy Minister and the senior executives of the department. This organizational structure ensures the independence and objectivity of the internal audit personnel. The Audit Committee meets annually and reviews past year's audit activities and the Annual Audit Plan for the upcoming year to ensure the working adequacy and effectiveness of the internal audit function.

The authorized staff for the branch is one permanent employee and one man-year in wages.

The internal audit mandate calls for an independent and objective review of the internal controls system in departmental operations. Internal control comprises methods and procedures adopted to:

- safeguard assets;
- check the accuracy and the reliability of financial and other data;
- promote operational efficiency; and
- encourage adherence to prescribed government policies, procedures, plans and laws.

The Internal Auditor, therefore, primarily appraises the adequacy and effectiveness of accounting policies, procedures, systems and operations within the department. Each review results in an audit report. The thrust of resultant audit reports is to identify problems and recommend appropriate solutions as well as responsibility for providing adequate follow-up to ensure timely remedial action has been taken.

The Internal Audit Branch completed all but two of the planned audit assignments of 1985/86. Reviews of the two budget processes of improvement districts and Metis settlements were deferred to 1986/87. The time budget of two deferred audit assignments was used to complete cost verification of nine against the initial budget of four water and/or sewer capital projects. Financial operations of seven improvement districts and three special areas offices were audited; budgetary processes of three entities were reviewed; the controls in 11 sub-systems of the Municipal Affairs Taxation (MATX) System were evaluated; and 10 special projects were undertaken.

During 1985/86, 34 regular internal audit reports were released. These contained 232 findings. Management responded promptly to internal audit findings.

Planning Services Division

PLANNING SERVICES DIVISION

Staff of the division's four branches, as in the past, undertook their respective responsibilities to ensure the effective delivery of land use planning services to the area of the province under the division's jurisdiction.

Divisional activities during the 1985/86 fiscal year continued to reflect an upswing in land use planning activities. In this regard, subdivision applications handled in the Planning Branch were up from 489 in fiscal year 1984/85 to 552 - and increase of 13 per cent. The branch also introduced a computerized subdivision tracking system to ensure efficient processing of subdivision applications, in spite of reduced staffing. The Drafting Unit of Support Services Branch handled 355 requests for cartographic work in support of land use planning reports. This represented an increase of 45 requests or 14.5 per cent over the previous fiscal year, reflecting an increased demand for the services of professional planners in the other three branches.

Amoung other activity highlights, the Research and Development Branch provided technical and research assistance to the Advisory Committee on Development Charges and Offsite Levies. Assistance was also provided to the Winter Cities Conference held in Edmonton in February 1986. Working with planning and related agencies, the Inter-Agency Planning Branch provided input to the minister and cabinet on a number of changes to the Planning Act and Subdivision Regulation. Appropriate amendments are expected to go before the Legislature in upcoming sessions.

A summary of specific activities undertaken by the four branches during the 1985/86 fiscal year is outlined below.

Planning Branch

The Planning Branch provided regional and municipal planning services to those municipalities not served by a regional planning commission. Upon request, professional planning advice was provided to these municipalities on a broad range of land use and development matters, including the preparation, adoption, maintenance and operation of general municipal plans, area structure plans and land use bylaws. The branch's senior staff, as delegated by the minister, acted as subdivision approving authority for that area of the province under the division's jurisdiction.

The branch provided planning advice and assistance to over 80 municipalities within its jurisdiction. Client reaction to the branch's recent re-organization has been positive in light of increased planning activity. Renewed activity has been spurred by developments in the heavy oil area, resulting in both the private and public sectors taking steps to accommodate existing and anticipated growth.

The branch represented the department on a variety of statutory committees, including the Crown Mineral Disposition Review Committee, the Exploration Review Committee, and the Development and Reclamation Review Committee. Two staff were appointed as members of the Land Conservation and Reclamation Council to carry out reclamation certificate appeals under Section 58 of the Land Surface Conservation and Reclamation Act. The branch also processed most of the land use related inter-departmental referrals on behalf of the department.

The introduction of a computerized subdivision tracking system has ensured efficient processing of subdivision applications in spite of staff reductions.

A brief summary of activities within the units of the Planning Branch follows.

Lakeland Unit

Lakeland Unit staff delivered planning services to 17 urban and rural municipalities in northeastern Alberta. Four general municipal plans, one lake area structure plan, three land use bylaws, and several specific land use planning projects were undertaken.

Staff were also involved with urban census programs and Metis settlement planning projects.

Parkview Unit

Unit staff provided planning services to 35 urban and rural municipalities and six Metis settlements. Major staff undertakings included: four general municipal plans and two community plans; five land use bylaws prepared and adopted; two lake management studies/area structure plans completed.

A variety of other planning studies and reports were also completed including land use inventory updates, mobile home park designs, municipal street addressing systems, and a municipal reservoir recreation utilization study.

Twelve municipalities attended sessions sponsored by the unit, dealing with municipal needs assessment and overall planning orientation. Staff were also involved in urban census training and assisting several local municipal economic development committees.

Prairie Unit

Unit staff delivered planning services to 30 urban and rural municipal clients in east-central Alberta. Major activities were initiated upon request for the following

the City of Lloydminster; the Towns of Hardisty, Two Hills and Vegreville; the Villages of Hughenden, Mannville and Murnam; the Counties of Two Hills and Vermilion River; and the Municipal District of Provost. Resultant products included four general municipal plans, six land use bylaws, 36 land use bylaw amendments, three outline plans, four annual planning reports, five census reports, one lake management plan and one annexation report.

In addition, the Beiseker, Drumheller, Fort McMurray, Lac La Biche, Mayerthorpe and Rainbow Lake airports were regulated under the Airport Vicinity Protection Area (AVPA) program. Also, at the request of the respective councils another six AVPA plan preparations were commenced which, when completed, will mean that over a third of the povincial air transport system will be benefitting from this program.

Subdivision Unit

Unit staff provided technical processing and circulation of subdivision applications for municipalities not included in regional planning commissions. A breakdown of subdivision activities follows:

Applications Received

Plans of Survey	159
Other Instruments	312
Outline Plans	9
SUB TOTAL	480
Withdrawn by applicant	(8)
84/85 Files Carried Over	80
TOTAL	552

Decisions Made

Approved	57
Conditional Approval	340
Refusals	51
Deemed Refusals	10
SUB TOTAL	458
Files Carried Over to 85/86	94
TOTAL	552

Alberta Planning Board Appeals Attended	41
Instruments endorsed	781 (927 lots)

Planning Research and Development Branch

The branch undertook a variety of applied research projects, either independently or jointly with other divisions. Projects originated from ministerial, inter-departmental, extra-departmental or Alberta Planning Board requests, or as result of needs identified by the division or local and regional planning authorities.

The branch formulated policy advice based on the results of its planning research activities. It also made recommendations on the development or modification of planning-related programs based on needs identified through such research work.

Some specific ongoing projects with which the branch was involved during the 1985/86 fiscal year are listed below:

- the IMPACT municipal planning and finance model was applied to 12 communities of up to 25,000 population. It has also been piloted for use in annexation impact studies and an expanded version has been developed to simulate the specific effects of a new residential subdivision. In conjunction with Municipal Administrative Services Division, the model is currently being calibrated for application to other interested municipalities. Details of the model were presented at conferences of elected municipal officials and the Alberta Planning Board;
- in an effort to improve the logic underlying the retail module of the IMPACT model, a consultant surveyed the literature for factors governing retail business responses to population growth;
- technical and research assistance was provided to the Advisory Committee on Development Charges and Offsite Levies established by the minister. The branch undertook a number of background studies and analyses at the request of the committee;
- municipal census processing was performed on micro-computer for 35 communities with a total population of 82,000. User manuals were prepared to facilitate the processing of future years' returns by the planning commissions and municipalities;
- a pilot study of alternative approaches to downtown revitalization was attempted in a medium-sized Alberta community. The field study identified a number of problems in the formation of Business Revitalization Zones;
- a method of examining the local municipal and retail impacts of peripheral shopping centres was developed for application in selected Alberta centres;

- "Data Sources for Planning in Alberta", an information book of planning related sources, was widely distributed among government departments, municipalities and private consultants. The first update was circulated, bringing the total number of references up to 600 as well as revising the listings and extending the index;

- compilation of a reference manual of Alberta planning terminology was begun. The document will assist municipal officials and planners by cross-referencing commonly utilized planning terms and the relevant statutory provisions;

- the branch continued to study the long-range planning legislative needs of Alberta. Several socio-economic scenerios applicable to possible land use planning requirements were developed;

- a survey of existing land development and servicing capacity in Alberta communities was initiated. The findings will indicate the capability of municipalities to absorb future growth and indicate those communities which may be sensitive to financial, development and planning problems;

- the branch participated in the agricultural land base study undertaken by Alberta Agriculture and in preparation of the Coal Branch Integrated Resource Management Plan by Alberta Energy and Natural Resources;

- assistance was provided to the Winter Cities Conference held in Edmonton in February 1986. This took the form of the organization of a colloquium of European countries around human settlement topics; and

- the branch continued to represent the department on several inter-departmental committees including the Alberta Soils Land Inventory Co-ordinating Committee.

Inter-agency Planning Branch

The branch entered a transitional year and increased its innovative ways of supporting municipal planning capabilities. The new area of increased activity emphasizes ways to help elected officials, municipal administrators, planning practitioners, and the general public to increase their effectiveness in the municipal land use planning system.

Specific branch activities are listed below.

- **Regional Planning**
  Acting as technical secretariat to the Alberta Planning Board, the branch reviewed the Yellowhead and Red Deer Regional Plans and advised the board and the minister on their approval.

- **Agricultural Land Policy**
  The branch continued its examination of the Environment Council of Alberta's proposed agricultural land policy. Recommendations were provided to the minister and other concerned provincial departments.

- **Energy Management for Municipalities Kit**
  With the participation of Alberta Energy and Natural Resources, the regional planning commissions, TransAlta Utilities, and the municipal associations, the branch prepared an information and decision - making package to help local officials reduce energy costs for municipal facilities. The kit was released to all municipalities in the province and follow-up advice provided to interested agencies.

- **Energy Conservation through Land Use Planning Kit**
  With input from the Alberta Housing Corporation, Energy and Natural Resources, and the regional commissions (RPCs), the branch developed and published a kit to assist land use planners and the development industry to evaluate and design energy-sensitive subdivisions and buildings. Orientation workshops and follow-up advice were provided to various planning agencies.

- **Municipal Downtown Economic Development**
  Responding to information requests on land use planning in relation to Business Revitalization Zone legislation, and in following up numerous municipal requests for advice on downtown planning, the branch has directed considerable resources to the Revitalizing Downtown Alberta project. Developed as a self-help kit for municipalities, with input from Alberta Tourism and Small Business, the comprehensive downtown economic development package for use by municipal officials and planners was released in March, 1986.

  As an adjunct to the information provided by the kit, the departments of Municipal Affairs and Economic Development have formed a joint advisory team to provide specialized advice and technical assistance to RPC planners and local business development representatives, who provide day-to-day planning and economic development advice.

- **Changes to Planning Act and Subdivision Regulation**
  Working with planning agencies, municipal associations and other government departments, the branch provided advice and recommendations to the Alberta Planning Board and the minister on proposed changes to the Planning Act. These changes, if and when enacted, would enable regional planning commissions to appeal decisions made by municipal subdivision approving authorities on regional plan conformity issues. Working with planning and related agencies, the branch also provided advice to the minister and cabinet on a number of changes to the Subdivision Regulation.

  The branch also continued its work on planning deregulation. A discussion paper was completed by the branch and circulated to various concerned agencies for review in the fall of 1985. After reviewing the agencies' comments, the branch assisted the Alberta Planning Board in the preparation of a position paper which sets out tentative positions of the board and the department on a number of proposed changes to the Planning Act and the Subdivision Regulation. Significant activities will continue in this area in 1986/87.

- **Pipeline Planning in Urban Areas**
  Jointly with the Energy Resources Conservation Board, technical advisory planning notes were developed and published for use by municipal and land use planning authorities to address the pipeline urban encroachment problem. A number of changes to the Planning Act have also been formulated to address related issues.

- **Special Provincial Land Use Planning Activities**
  Because of the inter-organizational nature of certain planning issues, branch staff sat on several policy development committees dealing with noise guidelines and municipal servicing and engineering standards.

- **Training To Enhance Municipal Planning Capabilities**
  At the request of a number of municipal officials, an orientation program for development appeal boards and their related staff was developed and successfully field tested. This training program will be available in time for the 1986 province-wide municipal elections.

- **Home Occupations Report**
  At the request of the Alberta Development Officers Association, the branch conducted research on planning issues related to home occupations by undertaking an Alberta-wide municipal survey. The research findings were distributed to all municipal and planning agencies in the province.

- **Public Information On Land Use Planning**
  The branch continued to provide public information on the land use planning system, by distributing applied research reports and planning information brochures, and the branch-produced film "Managing Community Planning" to the general public, post-secondary educational institutions, and numerous government agencies in the province and across Canada.

Planning Support Services Branch

This branch provided drafting, cartographic, graphic, municipal engineering, photolab and other technical services required in the production of land use planning reports. In addition, it maintained updated legal land use compiled maps and plans pertaining to the area of the province under the division's land use planning jurisdiction. Moveover, it also served in a co-ordinating capacity regarding the division's general administrative requirements.

The following indicates a brief summary of the activities handled by the branch during the fiscal year 1985/86.

Drafting Services

Planning technicians provided all cartographic data as well as graphics required by professional planners for use in the preparation of general municipal plans, area structure plans, area redevelopment plans, land use bylaws, research and development projects and inter-agency related planning documents. Moreover, the unit prepared presentation packages and other visual aids used in presenting land use planning work to municipal councils and other planning practitioners. In addition, it handled updates relating to legal land use maps and plans of municipalities within our jurisdiction as outlined by the map showing regional planning commission boundaries for fiscal year 1985/86.

During fiscal year 1985/86:

- 355 requests pertaining to illustrative mapping work and graphics were handled;
- Approximately 200 compiled mapping updates pertaining to legal land use maps and plans were maintained;
- Requests for prints of compiled land use maps and plans from the printroom totalled 531;
- Continued to update school district maps for Alberta Education;
- Created and updated hospital district boundary maps on behalf of Alberta Hospitals and Medical Care.

Engineering Services

The unit provided assistance as requested to professional planners in the area of ground control surveys, aerial photographs and municipal engineering consultative services. Ground control surveys were carried out in several municipalities during the summer months. This aspect of municipal engineering service enabled planners to accurately pinpoint the boundaries of areas actively under land use planning consideration. This, combined with aerial photographs taken by outside consultants, enabled the branch to produce accurate topographic maps used in the land use planning process.

Photo Lab

The unit provided reproduction services, including the production of negatives, positives, half-tones, reductions, enlargements, composites, and other photo lab work relating to divisional requirements. During the 1985/86 fiscal year, 1,057 requests were handled.

Administrative Support

The administrative support component of the branch continued to co-ordinate all divisional administrative requirements as necessary: accounts payable, personnel related matters and general administrative policies and procedures.

I.D. 23
MACKENZIE
I.D. 22
I.D. 21
I.D. 20
M.D. 135
M.D. 133
I.D. 19
M.D. 130
COUNTY 1
SOUTH PEACE
I.D. 16
YELLOWHEAD
I.D. 14
I.D. 12
BATTLE RIVER
RED DEER
PALLISER
CALGARY
SOUTHEAST
ALBERTA
OLDMAN RIVER
MUNICIPAL AFFAIRS
PLANNING SERVICES
DIVISION 5
JURISDICTION

Improvement Districts Operations Division

IMPROVEMENT DISTRICTS OPERATIONS DIVISION

The continuing success of the Municipal District of Cypress No. 1 and the Municipal District of Clearwater No.99, created on January 1, 1985, are an indication that the incorporation of these two former improvement districts was a wise move.

A report prepared by the ID No. 7 Advisory Council, and subsequent public meetings in the ID, indicated clearly that local residents wish to retain their identity as a separate municipal unit, whether as a municipal district or as an improvement district. Lack of a strong assessment base makes the incorporation of ID No. 7 unlikely in the near future, but the commitment of the advisory council and local residents to retain present municipal boundaries, prompted the Minister of Municipal Affairs to provide for the continuation of the improvement district for the time-being. This allows an opportunity to prepare for the possibility of incorporation at a future date.

ID No.8 has been preparing for incorporation for several years, and a target date of January 1, 1987, had been established. However, this date has been adjusted to January 1, 1988, to allow adequate time for necessary arrangements to be made, especially relating to transportation and public land issues.

A future options study is currently underway for ID No.14.

Also nearing completion is a future options study for ID No. 15.

In June 1985, the Legislative Assembly endorsed a resolution to grant existing Metis settlement lands to be held on behalf of the Metis people and further to guarantee this grant by an amendment to the Alberta Act. The grant is conditional on the Metis people developing their own proposals for membership, land and democratic governing bodies. It is expected that these initiatives will lead to the enactment of a revised Metis Betterment Act, the granting of Metis settlement lands to the Metis people of the province, and the subsequent amending of the Alberta Act. The resolution was the government's response to the report of the joint Metis/government MacEwan committee, which reviewed the Metis Betterment Act, submitted to the Minister of Municipal Affairs in 1984.

Policy

Initiatives are continuing to increase the involvement of northern communities in the local government process as represented by the improvement districts. Most recently, based on in-put from the communities, it has been proposed that community services committees, composed of representatives of local organizations such as community associations, recreation boards, school committees, etc., be established to assist the elected advisory councillor in local matters. Each community would also be provided with a contact office, staffed by a local community secretary. Extensive educational programs will accompany these developments. These initiatives are viewed as critical in increasing awareness of, and involvement in, local government in the more remote communities of northern Alberta.

The transfer of lands in green zone hamlets from Energy and Natural Resources to Municipal Affairs is taking place in order to reinforce greater local participation and interest in land use decision-making. An overall policy is in place which provides a basis for the subsequent transfer of lands within the green zone hamlets to individual residents.

The Metis settlements, assisted by the Metis Development Branch, have made significant advancement in the past year in the development of policies and procedures in all major programs and administrative areas. The settlements have developed budgets, assumed responsibility for their own funds and several have hired and trained local Metis people as their administrators. These initiatives are timely in view of the settlements' movement towards increased autonomy and responsibility.

Re-organization

The Land Programs Branch of ID Operations was established with a mandate to consolidate and assist in the management of land in green zone hamlets under Municipal Affairs. The branch also examines and meets identifiable needs for land in and around existing communities, completes existing land tenure activities and expands educational programs to increase community awareness of local government.

With the reorganization of district offices and the creation of a new planning and development unit, the transformation of the Metis Development Branch from the role of Metis settlements administrator to that of a support and advisory group for the settlements has been further advanced.

Automation of the land registry system for the Metis settlements is well underway.

Training and Education in Local Government

The Improvement Districts Association of Alberta has continued to play a lead role in the training of ID advisory councillors. Workshop and conference sessions in 1985/86 emphasized policy review and the role of economic development promotion in local government.

The Land Programs Branch is embarking on the development of a local government training program for the community secretaries, members of community services committees and residents in the more remote communities of northern Alberta.

Municipal Affairs 1985/1986

The Metis Development Branch has developed a joint training strategy with the Metis settlements for councillors, administrators and residents. This is in preparation for the assumption of greater responsibilities for the settlements themselves. Among the areas of coverage are broad topics such as the roles and responsibilities of government and very specific ones such as the training of water and sewer operators. The branch has also provided extensive assistance to the Federation of Metis Settlements and the settlements themselves, in understanding the requirements for, and the meaning of, new legislative proposals. This has provided and opportunity for a thorough review of current settlement procedures related to membership applications, land allocations and council operations.

Local Service

The improvement districts continue to expand their services and have increasingly entered into joint agreements with nearby municipalities in most service areas to assist in this process. These joint agreements are a further indication of the degree to which the improvement districts have placed themselves on an equal footing with the incorporated municipalities in the province.

The water and sewer program on the Metis settlements has continued as in previous years. Over $2 million was again spent during the year, including full water distribution and sewage collection systems at Kikino and Big Prairie. Water cisterns and septic tanks continued to be installed in the rural areas of most settlements.

Development and Planning

The improvement districts have increasingly become committed to the development of comprehensive five-year plans. These plans include an analysis of anticipated service levels growth in all program areas and the impact of expected expenditures nesessary to meet this growth. ID No. 14 has recently completed a five-year plan which can serve as a model to the other improvement districts.

The transfer of land tenure lots in the community of Janvier was finalized by the Land Programs Branch.

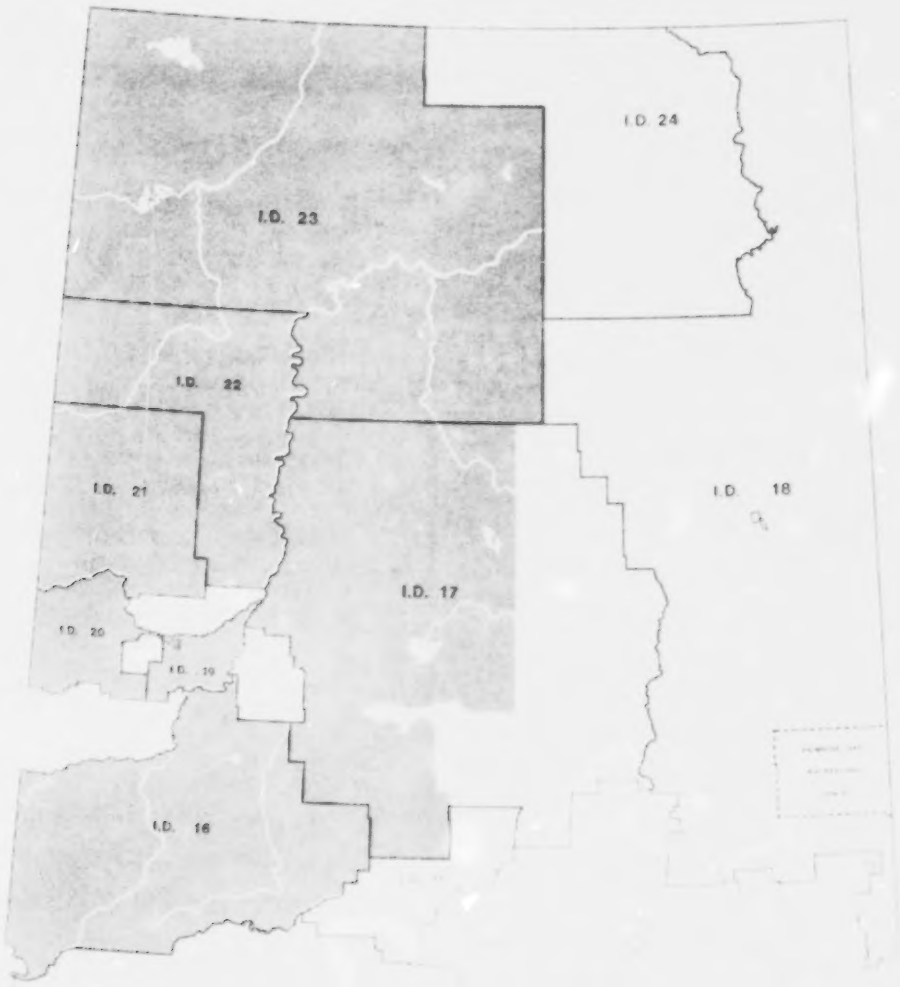
With the development of land use inventories for the Metis settlements, land use planning principles are now being applied by the settlements, with the assistance of the Metis Development Branch and the Planning Division of Alberta Municipal Affairs.

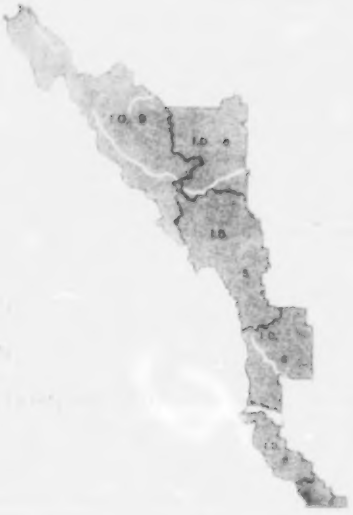
Following the development of forest inventories, forest management plans are being initiated by the four western Metis settlements.

Assessment and Taxation

General assessments were carried out in ID Nos. 9, 18 and 23 in 1985.

The total equalized assessment for all of the IDs in 1986 was $1,204,908,530.





Alberta

I.D. 24
I.D. 23
I.D. 22
I.D. 21
I.D. 18
I.D. 17
I.D. 20
I.D. 16
I.D. 14
I.D. 12
Alberta
METIS
SETTLEMENTS
1986
METIS SETTLEMENT
I.D. JURISDICTION

Municipal Administrative Services Division

MUNICIPAL ADMINISTRATIVE SERVICES DIVISION

This division is composed of three branches:

- Grants and Subsidies Branch
- Municipal Services Branch
- Tax Recovery and Property Administration Branch

The division acts as the focal point for general municipal administration and financial matters. It conducts annual inspections of all incorporated municipalities, with the exception of cities, to ensure municipal government is being carried out in accordance with relevant legislation and regulations. It regularly provides advice and information to municipal officials on their duties and has a role in investigating and resolving complaints regarding their actions.

The division is involved in the development of the government's municipal policies, frequently co-ordinating or serving as the departmental representative on interdepartmental committees. Through direct contact with municipalities, workshops or seminars, it provides information to municipal officials and receives their input on matters which are relayed to the minister, relevant officials, departments or agencies.

Contact with individual Albertans occurs frequently in the administration of some programs such as rental assistance, property tax reduction and tax recovery and sale of land. The division administers four programs which provide funds to municipalities.

During the 1985/86 year the division has been actively involved in reviews of a variety of local government practices and procedures:

- **Grant Structures Review Committee**
  The division provided secretariat and support services to this committee which reviewed every grant program available to municipalities. The committee's report, presented in December 1985, made 87 recommendations on the reduction of administrative and other conditions in the programs.

- **Conflict of Interest Advisory Committee**
  The division co-ordinated the review of legislation regarding disqualification of members of councils for activities conflicting with the public interest. The final report "IN HARMONY: The Public Interest and The Private Interests of Alberta Municipal Councillors" was presented in November 1985.

- **County Act Review Committee**
  The division co-ordinated the first comprehensive review of the County Act since it was originally passed in 1950. Two discussion reports were widely circulated for comment. A final report recommending a number of amendments to the Act was presented to the Minister in November 1985.

- **School Fiscal Year Task Force**
  The division assisted in expressing municipal concerns to the task force reviewing proposals for a revised fiscal year for schools in Alberta.

- **Debt Guideline Steering Committee**
  The division represented the department on this committee, which recommended methods of developing debt guidelines for Alberta municipalities.

The management of municipal government affairs in Alberta in 1985/86 demanded considerable creativity and resolve on the part of both elected and appointed officials. Economic constraint continued to test the management ability of these officials. Extensive involvement in education programs for elected and appointed officials, as well as consultation with their representative associations, continue to be essential to the division's ability to represent municipal concerns and to respond to increasing requests for assistance, advice and services.

The year ended with approval of two proposals for major future initiatives:

- the Alberta Municipal Partnership in Local Employment (AMPLE) program; and
- the Municipal Statutes Review Committee to undertake a comprehensive review of municipal legislation in Alberta.

Representation and Liaison

Members of the division represented the department on the following interdepartmental or provincial/municipal committees:

- Calgary Olympics Co-ordinating Committee
- Conflict of Interest Advisory Committee
- Debt Guidelines Steering Committee
- Grant Structures Review Committee
- Local Authorities Liability Insurance Committee
- Nordegg Townsite Committee
- Railway Relocation Co-ordinating Committee
- Regulatory Reform Task Force
- School Fiscal Year Committee
- Special Relations Committee
- Special Wastes Transportation Task Force
- Statistics Co-ordinating Committee

In addition, staff provided advisory services and participated in the annual meetings of the:

- Alberta Association of Municipal Districts and Counties (AAMD&C)

- Alberta Rural Municipal Administrators Association
- Alberta Urban Municipalities Association (AUMA)
- Association of Summer Villages of Alberta
- City Clerks and Election Officers Association
- Federation of Canadian Municipalities
- Government Finance Officers Association
- Improvement Districts Association of Alberta
- Local Government Administrators Association

The assistant deputy minister accompanied the deputy minister in his annual series of meetings with the senior administrative officials of each city and the quarterly meetings with the executive directors of the AAMD&C and AUMA.

Divisional Training Initiatives

A major initiative has been the preparation of a Municipal Administrator's Handbook in looseleaf manual form. The handbook will consist of material produced by the department on important topics of interest and use to municipal administrators and financial managers.

A Local Authorities Municipal Election Procedure Manual was developed as a comprehensive guide to election officials for the conduct of municipal elections in the fall of 1986.

"How to Recover Taxes", a guide for the use of the Tax Recovery Act, was also published and distributed to all municipalities.

Three other publications were printed and distributed this year:

- A Manual of Alberta Municipal Assistance Programs;
- A Guide to the Municipal Auditor; and
- A Manual for Cash Flow Management.

Division personnel prepared and delivered courses for the Municipal Refresher Course held in Banff and the Elected Officials Symposium in Jasper.

Nine courses were prepared and delivered as part of the Local Government Studies Citation Program for the University of Alberta, including the following:

- municipal budgeting
- financial statement preparation
- municipal bookkeeping
- cash management
- assessment and taxation

The department's Municipal Internship Program placed 10 interns in various municipalities for a one-year internship. After six years of operation, 43 interns have completed the program of which 36 have found permanent employment in municipal administration in Alberta.

Ten seminars were held throughout the province dealing with municipal election procedures. Two workshops on tax recovery procedures were also conducted. Numerous visits to individual municipalities provided opportunties for training in a variety of general and specialized municipal procedures.

In 1985/86 the partnership theme dominated provincial/municipal relations. The division continues to promote that theme by emphasizing its role of service to municipal elected and appointed officials.

Legislation

The division was involved in the preparation of legislative amendments to the following acts:

- Municipal Government Act
- Local Authorities Election Act
- Crowsnest Pass Municipal Unification Act

Additional amendments of the following acts were reviewed for future enactment:

- Department of Municipal Affairs Act
- City Transportation Act
- Crowsnest Pass Municipal Unification Act
- Improvement Districts Act
- Local Authorities Election Act
- Municipal Government Act
- Municipal Taxation Act
- Planning Act
- Property Tax Reduction Act
- Regional Municipal Services Act

Assistance Programs

Details of the disbursements to municipalities and Albertans were:

Assistance to Municipalities

Unconditional Assistance Grants to Municipalities

14	Cities	42,410,879
110	Towns	14,636,588
122	Villages	2,768,109
48	Summer Villages	266,740
30	Counties	20,860,684
20	Municipal Districts	10,029,045
14	Improvement Districts	4,559,315
	Special Areas	1,024,082
3	Collecting School Districts	360,711
	Total	$96,916,153

Special Assistance Grants

7	Cities	266,665
9	Towns	171,974
5	Villages	55,780
4	Counties	30,700
2	Summer Villages	2,000
		$ 527,118
	Municipal Anniversary Recognition Grants	14,000
	Total	$ 541,119

Edmonton Annexation Transitional Assistance Grants

2	Counties	3,145,189
1	Municipal District	539,109
	Total	$ 3,684,298

Municipal Debenture Interest Rebate Program

15	Cities	106,362,704
113	Towns	11,757,966
122	Villages	1,329,399
6	Summer Villages	22,006
30	Counties	1,461,202
20	Municipal Districts	178,837
19	Improvement Districts	230,571
	Regional Services Commissions	531,830
	Total	121,874,515*

* Included in the above figure are debenture prepayment penalties and adjustments totalling $2,522,979. These reimbursements, paid under the Municipal Debenture Interest Rebate Program, resulted in a saving of $4,531,577 in interest rebates (April 1985 - March 1986).

Senior Citizen Self-Contained Apartment Program grants were introduced and paid to six cities, two towns and two villages totalling $1,024,048.

Assistance to Individuals

Senior Citizens' Renter Assistance Program

Regular Applications ($1,200)	25,477
Subsidized Housing Applications ($600)	15,826
Owner-Occupied Mobile Home Applications ($1,000)	1,812
Total Applications	43,115
Total Disbursed (Including prior years' applications)	$41,880,000

Property Tax Reduction

Senior Citizen Applications	89,270
Non-Senior Citizen Applications	82,655
Total Applications	171,925
Amount Disbursed Senior Citizen	53,547,266
Amount Disbursed Non-Senior Citizen	6,702,728
Total Disbursements	$ 60,249,994
Administration Fees	820,000
Prior Years' Benefits	1,221,706
School Tax Credits	89,300
Total Disbursed	$ 62,381,000

In total the number of applications under these programs increased by 15,159 and the amount of benefits paid increased by $5,418,080 over 1984/85.

The Edmonton Annexation Provincial School Abatement Program concluded payment of 1982/84 rebates totalling $686,635. 1985 rebates totalling $84,664 were paid.

Other programs administered by the branch on behalf of the department were:

- $45,397 Priorities Employment Program (PEP). Under the program, seven projects were established employing eight people for four months.
- The department's Summer Temporary Employment Program (STEP) for which $40,949.61 was approved, nine projects employing 11 people for four months.

Electoral Division Boundaries

A complete review and realignment of electoral division boundaries in all counties and municipal districts was undertaken to reflect the principle of representation by population. Forty-six of these municipalities have completed their realignment in accordance with department guidelines, another four are under review due to special circumstances.

Financial Services

The annual financial statements and budgets from all 364 Alberta municipalities, including improvement districts and special areas, were reviewed. Data from these sources, after being reviewed for accuracy and uniformity, is stored in AMFIS, the computerized data system for municipal financial information. Data from this source is provided to municipalities for comparative studies, municipal operations and finance.

Through the auspices of the Alberta Bureau of Statistics (ASIST program) any interested parties with compatible computer equipment may access municipal financial and demographic data for the years 1980 through 1984.

Inspections

Three hundred and twenty-eight municipal inspections were carried out to review administrative procedures and practices, legislation and the financial condition of municipalities. The inspection visit also provides an opportunity to offer advisory services to administrative personnel and to discuss issues and problems with elected officials if requested.

One special investigation was carried out in the County of Thorhild No. 7 as a result of complaints to the department. Recommendations were made and dealt with by the County Council.

New Incorporations

The Summer Villages of Jarvis Bay and Waiparous were incorporated on January 1, 1985. The Towns of Fort Saskatchewan and Spruce Grove became cities, effective July 1, 1985, and March 1, 1986, respectively.

As of March 31, 1986, the number of incorporated municipalities in Alberta totalled 346. There were 16 cities, 108 towns, 122 villages, 50 summer villages, 30 counties, and 20 municipal districts.

There are 19 improvement districts and three special areas in the province.

Regional Municipal Services Commissions

Continued efforts were made to assist in the organization of agencies to deal with the provision of regional utilities for Cold Lake-Grand Centre and Big Country Waste Management. Eleven additional groups have also registered an interest in formalizing organizations under the regional services commission legislation.

Research and Special Studies

Timely research and advisory services continue to be provided to the department and various government agencies including:

- finalization of the Drayton Valley Area Municipal Feasibility Study;
- Further work on the Grand Centre/Cold Lake Inter-Municipal Co-operation Study; and
- work on municipal status studies for ID Nos. 14 and 15 and future option studies for ID Nos. 19 and 20.

Oil Well Completions

On January 1, 1986, responsibility for recording all oil well completions in the province was transferred to the Tax Recovery Branch from the Finance and Administration Division. The locations of completions during the first quarter of 1986 were:

Counties	734
Municipal districts	777
Improvement districts	697
Metis settlements	10
Special areas	144
Others	7
Total	2,369

Property Administration

Assistance was provided to the Municipal District of Cypress No. 1 in disposing of approximately 283 parcels of tax recovery and Crown land for a return of $3,863,513. These sales were implemented in accordance with a land sales policy established by the Minister and Council in conjunction with the branch. The branch assisted Improvement District No. 8 in the development of a residential subdivision in the Hamlet of Exshaw which will eventually allow residents to obtain title to the parcel which they occupy.

Tax Recovery

Following is a summary of approved tax recovery sales:

- **Cities, Towns, and Villages** — The sale of occupied properties to their respective residents by cities involved two parcels for a return of $18,273 (unoccupied parcels in cities do not require ministerial approval). Sales of occupied and unoccupied parcels in towns and villages during the past year totalled 34 for a return of $224,228;

- **Improvement Districts and Special Areas** – There were 336 parcels listed (159 of which were redeemed prior to sale), 177 advertised and 155 offered for sale in 13 tax sales held by the branch. No parcels were sold at public auction but three parcels were sold at private sale in improvement districts for a return of $14,090;

- **Counties and Municipal Districts** – A total of 71 parcels were sold for a return of $592,191;

- **Special Areas Land Sales** – 132 applications were processed covering sale of land in the special areas and approved by the Special Areas Board to lessees wishing to acquire land. Total sale value amounted to $2,546,780; and

- **Collections** – $3,697 was collected in improvement districts for rental of tax recovery land and $5,899 was collected from the sale of sand and gravel. Also, $9,867 in outstanding Agricultural Relief Advance receipts were collected in improvement districts. Recommendations were made to the Agricultural Relief Adjustment Board regarding compromise settlements of accounts which were irretrievabley in arrears, or cancellation of uncollectable accounts.

Assessment Services Division

ASSESSMENT SERVICES DIVISION

This division ensures equitable property tax assessments throughout Alberta through three branches:

- Assessment Operations Branch
- Assessment Standards Branch
- Assessment Inspection Branch

During 1985/86 a substantial amount of time was spent in introducing the 1984 Assessment Manual. In co-operation with the Alberta Association of Municipal Districts and Counties, a study and recommendations were made on assessment problems in rural Alberta. A special test project in the City of Spruce Grove is continuing which will evaluate the merits of completing a general assessment, with the aid of computers and factoring, on an annual basis.

Assessment Operations Branch

A great deal of the attention of assessors has been changed gradually from measuring the speedy growth of the province, to dealing with the complex problems of evaluating property losses. Many major facilities throughout the province have experienced financial difficulties and have worked very closely with the respective assessors in evaluating their situation.

The following are business factors relating to Assessment Operations:

Value of Building Permits

1983	1984	1985
$926,000,000	$836,500,000	$2,055,475,453

Number of General Assessments Completed

65	56	37

Number of General Assessments Refused

29	16	19

Number of Municipalities Exceeding 7 Year Limit

23	22	27

The Industrial area has maintained a steady growth.

Number of Oil Well Zones

72,257	78,626	83,804

General assessments utilizing the 1984 manual have been put on the roll for taxation in 1986. Farmland assessments using the 1984 manual will go on the roll for the first time for assessments in the 1987 taxation year.

Complete farmland digitizing and calculation automation will also be used for the 1986 assessments for taxation in 1987.

Assessment Standards Branch

The Assessment Standards Branch was established in 1984 when the previous Research and Systems Branch, Training Branch and the advisory portion of the former Assessment Inspection and Advisory Services Branch were combined into one unit.

The branch mandate is to provide technical assistance to Alberta assessors, both government and municipal, in all aspects of land and improvement valuations. This technical assistance encompasses the development of valuation manuals, assessor training and a continuing field assistance program.

Municipalities and the public benefit from information programs such as Court of Revision seminars and the "Assessment Answer Campaign" which were developed to improve public awareness and understanding of assessment.

In 1985, the branch concentrated on a province-wide extensive training program for the 1984 Assessment Manual. Sessions were held in the nine regional offices with separate components for residential and commercial improvements and farm land. In addition, sessions were put on for other municipal and head office staffs, and for members of the Canadian Property Tax Agents Association, in both Edmonton and Calgary.

Other branch activities in 1985 and early 1986 were:

- field assistance in the application of the 1967 and 1979 Assessment Valuation Manuals particularly in Edmonton and Calgary;
- on-going professional development courses for Alberta assessors;
- hosting of the annual symposium for assessment administrators and supervisors at Hinton;
- participation in the annual meeting of directors of assessment held in Edmonton;
- a complete review and revision of regulations pertaining to assessment practices in Alberta, resulting in nine new regulations;
- the on-going development of a curriculum with the University of Alberta for training Alberta assessors; and
- initial feasibility study for a computerized assessment system.

The branch staff were involved in arranging the first ever conference of major cities' assessors, which was held at the same time as the Hinton symposium. This conference attracted the chief assessors from Montreal, Toronto, Winnipeg, Saskatoon, Calgary, Edmonton and Vancouver, as well as a representative from the Saskatchewan Assessment Authority for three days of round table discussion on common administrative and valuation problems.

The major new program for the Assessment Standards Branch in 1986 is to participate in a province-wide study of user requirements for computerized assessment.

ASSESSMENT INSPECTION BRANCH

The branch provides an assessment inspection function to ensure quality control of assessments throughout the province and also monitors the municipalities assessment/market sales ratio for the Assessment Equalization Board.

Review of the assessment procedure was carried out in a number of municipalities where general assessments were being conducted. Several large rural municipalities were assisted in the final preparation of their general assessments.

Enquiries from the public and local government officials were addressed and draft regulations and legislation were prepared. Assessment complaints were investigated with necessary recommendations or action taken. A number of assessment reviews were carried out for the Alberta Assessment Appeal Board.

Assistance was provided to the committee established by the Alberta Association of Municipal Districts and Counties to review the problems of assessment in rural municipalities. The recommendations of the committee were prepared in report and video format which were then taken to all municipal district and county councils for their review.

Associated Boards

The Alberta Planning Board

The board has a quasi-judicial appeal function and develops and administers land use policies regarding the subdivision of land.

Trend activities continued to increase slightly during the 1985/86 year in terms of the number of appeals and in applications for the extension of subdivision approvals. The same was true for the number of plan cancellations as well as for applications for the waiver of the requirements of the Subdivision Regulation and for exemptions to allow more than one residence on parcels of land which are less than 80 acres in size.

The board staff was further reduced by one senior clerk position which required a re-organization of the existing staff. As well, programming of the board's mini-computer was begun.

The board membership remained static throughout the year. It was with much regret that during the year, former board chairmen A.W. Morrison and W.D. Isbister passed away, as well as a former Alberta Transportation representative, V.E. McCune.

A total of 12 general board meetings were held, as well as 11 special meetings to deal with specific matters. This does not include a number of less formal meetings with other boards, departments, municipal representatives and representatives of the regional planning commissions and municipal subdivision approving authorities.

The board's thrust in 1984/85 to establish better communications and to promote better understanding with the municipally elected officials of the regional planning commissions was very successful and so was continued during the 1985/86 year. These contacts consisted of holding an Annual Planning Conference in the spring, a fall seminar in November and two additional meetings confined to the chairman and directors of the regional planning commissions in October 1985 and in January 1986.

Other significant activities included:

- the adoption of a mill rate structure for the Alberta Planning Fund's municipal requisitions, maintaining the status quo on the mill rates for municipalities which have not been designated as their own subdivision approving authorities;
- special meetings with the former Provincial Board of Health and Alberta Environment and a detailed review of the new Health Act and attendant regulations as they inter-faced with the Planning Act and the Subdivision Regulation;
- meetings with regional planning commissions culminating in the approval and ratification of the ninth of ten regional plans and the approval of the tenth such plan;
- attendance at, and participation in, various workshops and conferences of the regional planning commissions as well as with various associations such as the Alberta Association of Municipal Districts and Counties, the Alberta Urban Municipalities Association, the Improvement Districts Association of Alberta and the Community Planning Association of Alberta;
- reviewed the reports of, and made a submission to, the Minister of Municipal Affairs on the Environment Council of Alberta's report on "Maintaining and Expanding the Agricultural Land Base";
- held special meetings with the Environment Conservation Board and the Local Authorities Board on the presentation of information on hazardous installations by regional planning commissions at Local Authorities Board hearings;
- held meetings with the Energy Resources Conservation Board and the regional planning commissions to promote communication and understanding of interested concerns regarding surface development and resource extraction;
- two tours, one of northern Alberta communities regarding land use planning as well as one to the emerging hamlet of Red Earth as a newly developing resource community;
- working with, and assisting in, the movement of the Palliser Regional Planning Commission into its new office structure and the up-grading of the accommodation of the Oldman River Regional Planning Commssion;
- meetings with the Bureau of Surveys and Mapping on a proposed acceleration of the survey and monuments control program;
- discussions with chairmen and directors of regional planning commissions on their roles;
- meetings with Land Titles Office representatives and with subdivision approving authorities on interpretation of various sections of the Planning Act;
- series of meetings and referrals on "deregulation" in the planning process;
- meetings on review of regional planning commission annual budget formats;
- review and circulation of changes to the Subdivision Regulation with order in council approval early in April 1986;

- commencement of review and circulation of suggested changes to the Planning Act; and
- receipt and programming of office computer for appeals.

Appeals Committee

The committee received 374 subdivision appeals of which it heard 336 during 52.5 days of hearings. A total of 365 subdivision appeal board orders were issued during this period, with 50 appeals deemed invalid or abandoned. Two inter-municipal disputes, four regional plan amendment appeals and three referrals were also heard by the board, resulting in an additional six days of hearings.

Research and Planning Committee

This committee met 17 times during the year at which it considered 330 applications for waivers of the Subdivision Regulation, 53 requests for cancellations of plans of subdivision and 41 requests for exemption from the operation of section 78 of the Planning Act. The board also dealt with 538 requests for extensions to subdivision approval periods.

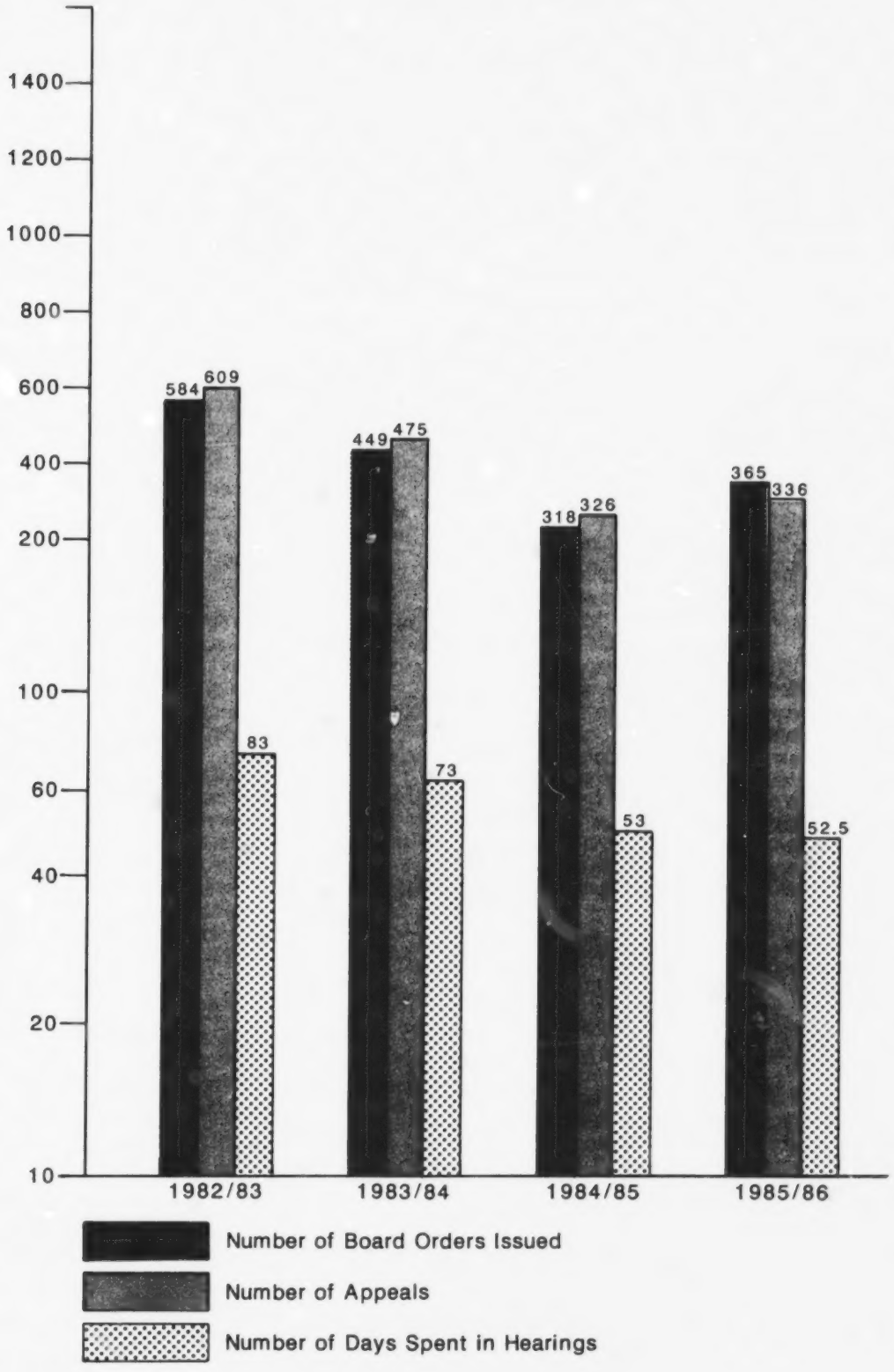
Finance Committee

The finance committee met 15 times during the year dealing with a municipal requisition revised formula and also with requests from the regional planning commissions for extra-ordinary funding related to staff terminations, legal costs and office building construction and renovation, as well as with plan preparation and surveys and mapping.

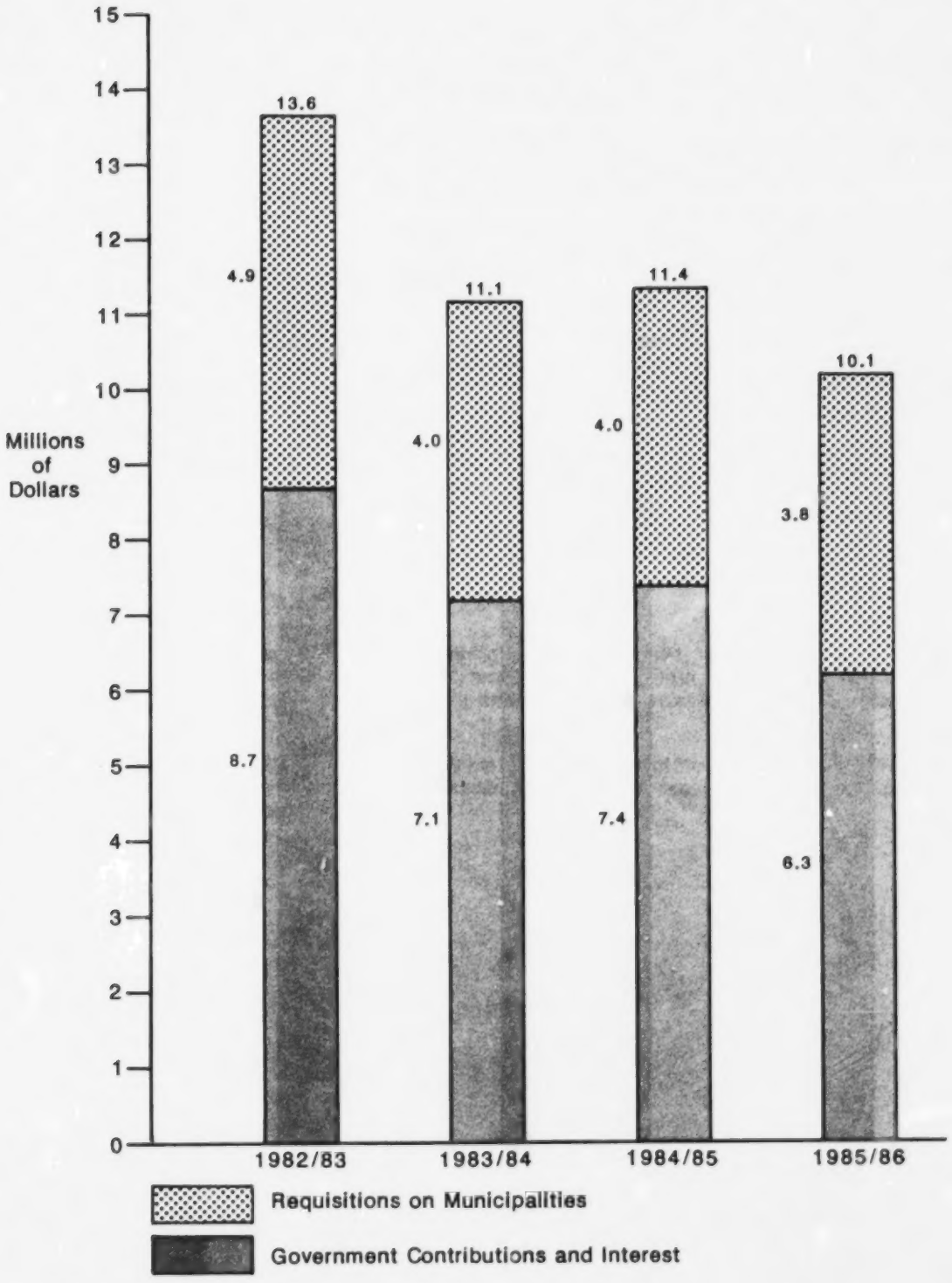
Ten additional meetings were held with the regional planning commissions on the review of their budgets and 12 sub-committee meetings were held to review the mill rate structure for municipalities for the Alberta Planning Fund.

The status and audited statement of the Alberta Planning Fund appear on the following pages.

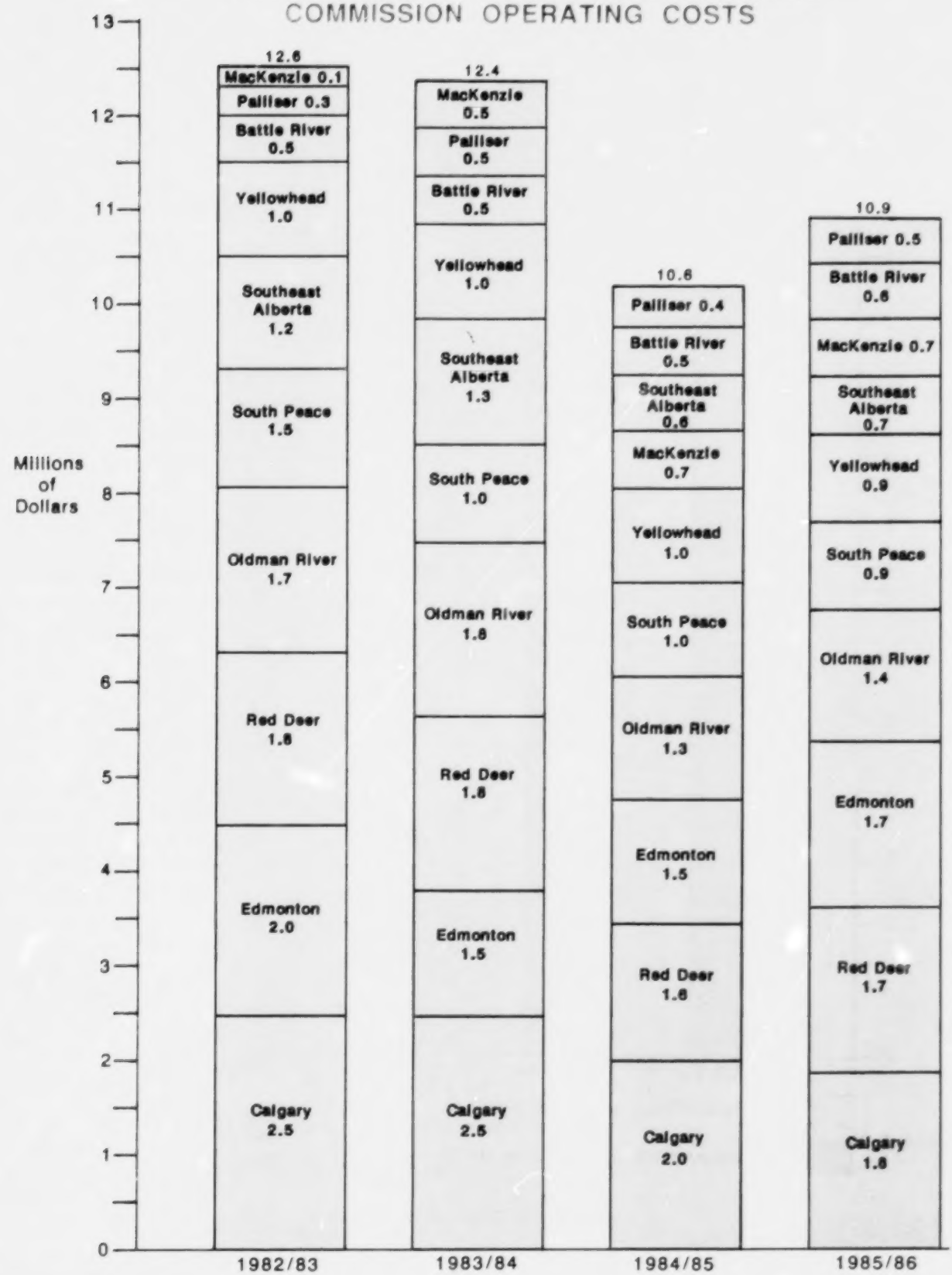
APB SUBDIVISIONS–APPEALS, BOARD ORDERS ISSUED, APPEAL DAYS



ALBERTA PLANNING FUND—INCOME



CONTRIBUTIONS TO REGIONAL PLANNING COMMISSION OPERATING COSTS



ALBERTA LEGISLATURE

OFFICE OF THE AUDITOR GENERAL

AUDITOR'S REPORT

To the Members of the Alberta Planning Board

I have examined the balance sheet of the Alberta Planning Fund as at March 31, 1986 and the statement of revenue, expediture and fund equity for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at March 31, 1986 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Donald D. Salmon C.A.
Auditor General

Edmonton, Alberta
May 16, 1986

ALBERTA PLANNING FUND
BALANCE SHEET
MARCH 31, 1986

	1986	1985
ASSETS		
Cash	$2,787,341	$3,683,690
Requisitions receivable	17,991	–
	$2,805,332	$3,683,690
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	$93,754	$88,361
Fund equity	2,711,578	3,595,329
	$2,805,332	$3,683,690

The accompanying notes are part of these financial statements.

ALBERTA PLANNING FUND
STATEMENT OF REVENUE, EXPENDITURE AND FUND EQUITY
FOR THE YEAR ENDED MARCH 31, 1986

	1986	1985
Revenue:		
Requisitions on municipalities	$ 3,826,628	$4,051,262
Contributions from the Province of Alberta, Department of Municipal Affairs	5,932,438	6,932,438
Interest	371,869	443,112
	10,130,935	11,426,812
Expenditure:		
Contributions to Regional Planning Commissions:		
Operating costs (Note 3)	10,976,086	10,633,509
Capital expenditures	25,000	–
Special projects	5,300	131,673
	11,006,386	10,765,182
Contributions to Special Planning Project	18,300	–
	11,024,686	10,765,182
Excess of revenue over expenditure	(893,751)	661,630
Fund equity at beginning of year	3,605,329	2,943,699
Fund equity at end of year	$ 2,711,578	$3,605,329

ALBERTA PLANNING FUND
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 1986

Note 1 Authority

The Alberta Planning Fund operates under the authority of the Planning Act, Chapter P-9, Revised Statutes of Alberta 1980.

Note 2 Significant Accounting Policies and Reporting Practices

Contributions to Regional Planning Commissions

Contributions towards operating costs are recorded as expeditures of the fiscal year in which they are paid.

Changes in Financial Position

A statement of changes in financial position is not provided as disclosure in these financial statements is considered to be adequate.

Note 3 Contributions to Regional Planning Commissions

Contributions for operating costs were authorized as follows:

	1986	1985
Basic	$ 10,548,595	$ 10,341,141
Supplementary	427,491	292,368
	$ 10,976,086	$ 10,633,509

Note 4 Administration Expenditures

Salaries, accommodation and other overhead costs incurred in the administration of the Fund have been borne by the General Revenue Fund and are not reflected in these financial statements.

Note 5 Approval of Financial Statements

These financial statements have been approved by management.

ALBERTA ASSESSMENT EQUALIZATION BOARD

The 1986 provincial equalized assessment, used to establish the apportionment of requisitions among municipalities, totalled $20.6 billion. This was a 4.2 per cent decrease from 1985.

A depressed market for non-farmland, a decrease in the economic productivity value of farmland and a decline in building projects, combined with reduced material and labor costs and changes in the assessment of machinery and equipment, have produced this continued decrease.

Equalized assessments established for use in 1985 and 1986 were determined on the basis of 1983 and 1984 data, respectively.

Municipalities contributed approximately $141,263,000 to the School Foundation Program Fund, based on an equalized assessment of $9.6 billion.

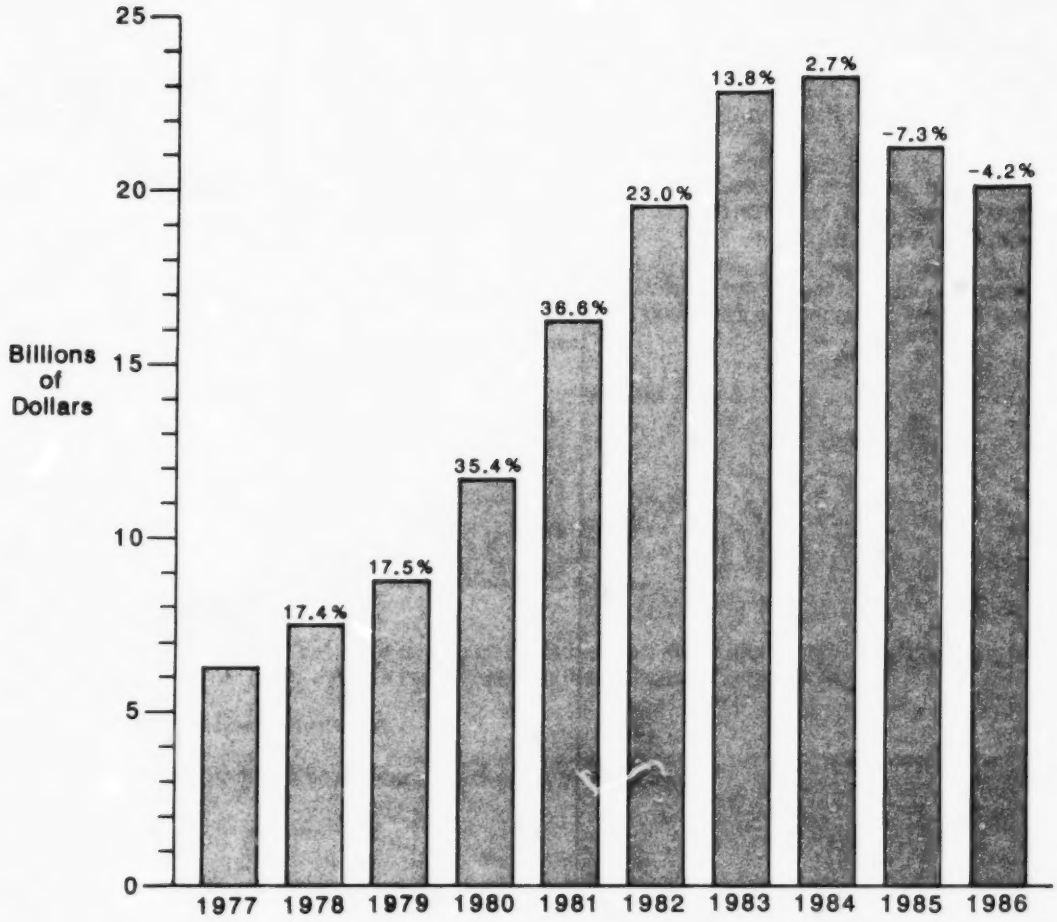
A $446 million decrease in equalized assessment resulted in a revenue loss to the School Foundation Program Fund of $6.5 million. The 1986 mill rate of 14.7 remains unchanged from 1985.

Total equalized assessments for the province in the last 10 years, together with the annual percentage increase/decrease, are illustrated on Graph #1. Equalized assessments for the School Foundation Program Fund are illustrated on Graph #2. Contributions to the fund and annual percentage increase/decrease over the previous year are illustrated on Graph #3.

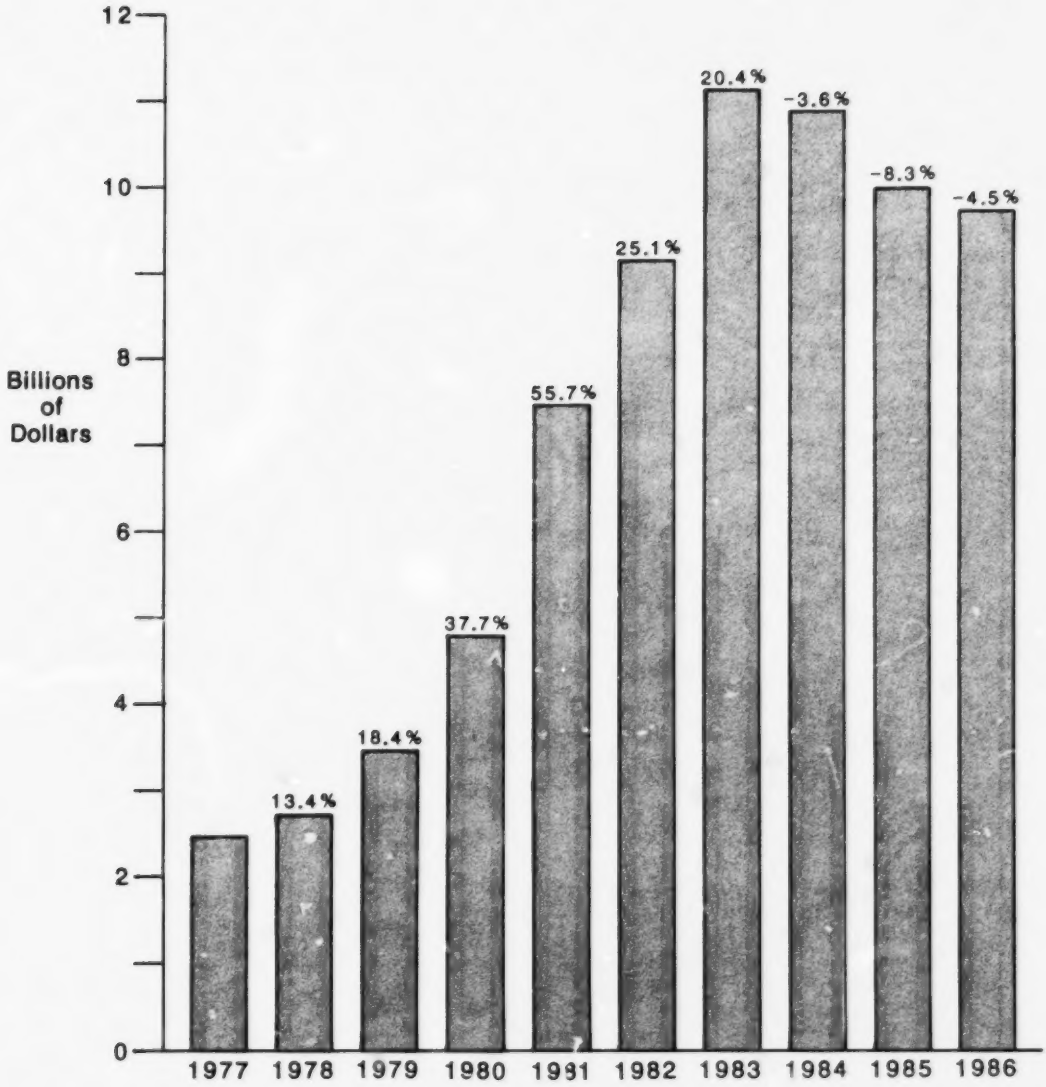
The 1986 equalized assessments have been produced by computer and a new procedure has been introduced that allows the municipality to examine its proposed equalized assessment prior to adoption by Board Order.

This new procedure permits the municipality to request a review with the Alberta Assessment Equalization Board to discuss the proposed equalized assessment. The right of the municipality to appeal to the Alberta Assessment Appeal Board is not affected.

GRAPH 1 TOTAL EQUALIZED ASSESSMENT 1977–1986

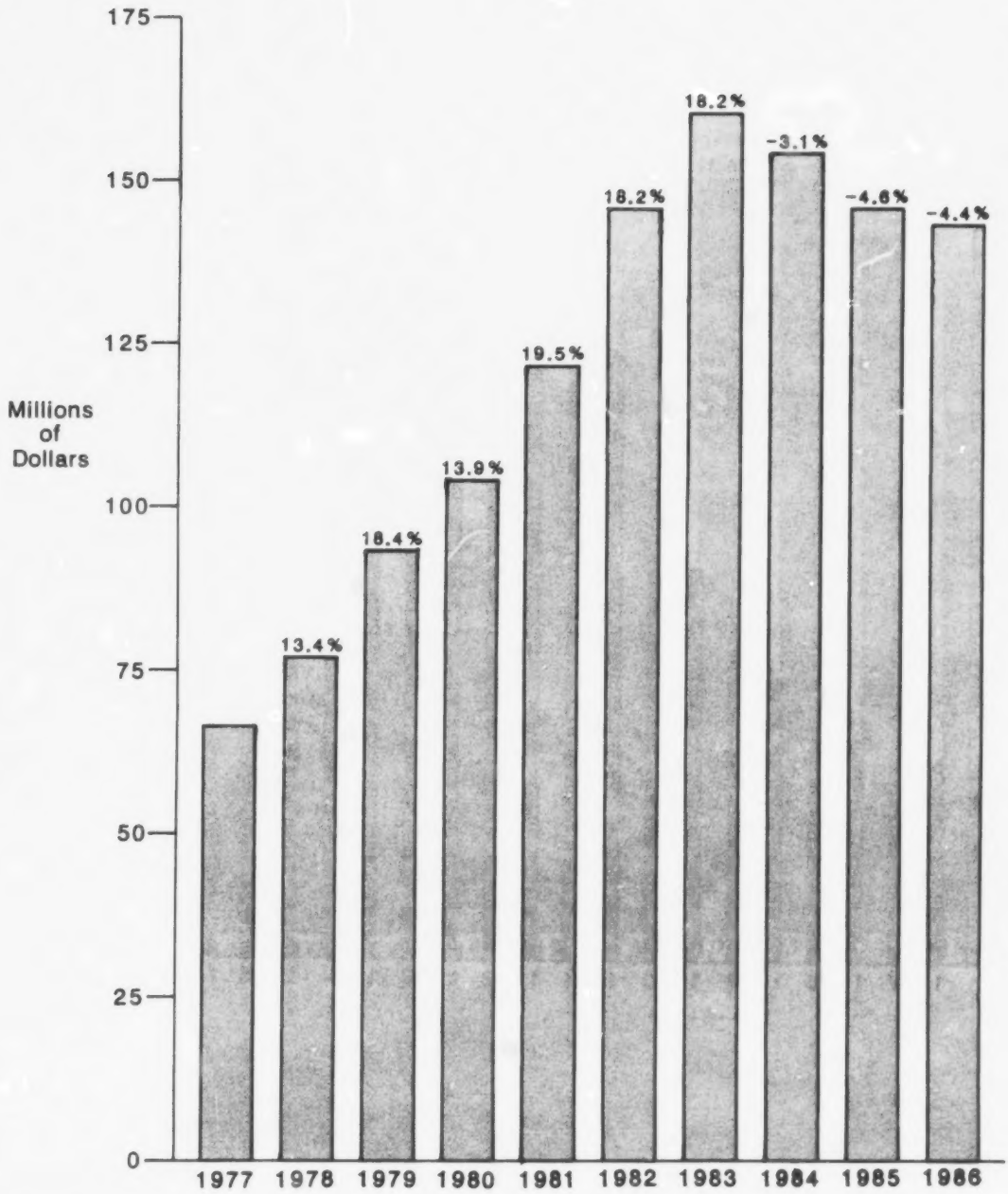


GRAPH 2 SCHOOL FOUNDATION PROGRAM EQUALIZED ASSESSMENT 1977-1986



GRAPH 3

SCHOOL FOUNDATION PROGRAM FUND REQUISITIONS 1977-1986



ALBERTA ASSESSMENT APPEAL BOARD

Several municipalities completed general assessments for the 1985 taxation year under revised assessment standards. Due to regulatory changes, fluctuating economic conditions, legal and technical challenges and complaints now before the courts of revision, no increase in the number of appeals the next fiscal year is expected. This year the number of appeals increased by 19.56 per cent and the number of items in dispute rose by 65.23 per cent.

Appeals filed with the board were completed prior to fiscal year end, with the exception of: three reserved for inspection; 25 set over awaiting judicial decisions and five not scheduled prior to the fiscal year end. At this date, the court of revision in one municipality has not completed hearings regarding assessments for the 1985 taxation year.

Following is a breakdown, by municipality, of appellants and items heard.

Municipalities	Appellants	Items
10 Cities	435	3215
27 Counties	258	827
9 Improvement Districts	118	196
11 Municipal Districts	81	225
2 School Districts	12	24
3 Special Areas	3	12
34 Towns	81	230
18 Villages	33	148
114	1,021	4,877
Equalized Assessment Appeals	4	4
Electric Power & Pipeline Assessment Appeals (all withdrawn)	20	
	1,045	4,881

The board issued 41 written decisions; other decisions were given orally and subsequently confirmed in writing.

Charts filed as an appendix to this report show the disposition of all appeals heard by the board during the fiscal year.

1985 APPEALS

ALBERTA ASSESSMENT APPEAL BOARD

VILLAGES	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Conf.	Dism.	C/Q	WD	Imp. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Bus. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Loc. Improv.	Adj.	Conf.	Dism.	C/Q	WD	
Beiseker	2	1	1					2	2																	3
Clyde	1							1	1																	1
Coalhurst	1	1		1				1		1																2
Coutts	1																			1			1			1
Legal	1	51		51																						51
Morrin	1																			1	1					1
New Sarepta	2							2		2																2
Onoway	2	49	49					1	1																	50
Rumsey	1							1		1																1
Stirling	1							1		1																1
S.V. Grandview	2	2	1	1				2	1	1																4
S.V. Ma-Me-O Beach	3	4		4																						4
S.V. Nakamun Park	1	2		2				1	1																	3
S.V. Poplar Bay	1	4					4	1					1													5
S.V. Silver Beach	8	8	7	1				1					1													9
S.V. Sundance Beach	3	6	3	1			2																			6
S.V. West Cove	1	1	1					1		1																2
S.V. White Sands	1	1			1			1	1																	2
TOTALS	33	130	62	61	1		6	16	7	7			2							2	1		1			148

1985 APPEALS

ALBERTA ASSESSMENT APPEAL BOARD

TOWNS	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Cont.	Dism.	C/O	WD	Imp. Assess.	Adj.	Cont.	Dism.	C/O	WD	Bus. Assess.	Adj.	Cont.	Dism.	C/O	WD	Loc. Improv.	Adj.	Cont.	Dism.	C/O	WD	
Beaumont	1	4	4																							4
Blackfalds	1	2	1	1				2		2																4
Bowden	2	2		1	1			2		1	1															4
Brooks	3	7	5		2			2			2															9
Canmore	1																			2			2			2
Carstairs	1	3	1	2																						3
Claresholm	2	3	1	2				1		1																4
Cold Lake	2	2		2				1		1																3
Fahler	1	1			1			1			1															2
Fort Macleod	2							3	2	1																3
Fort Saskatchewan (now city)	1	4			4			4			4															8
Grimshaw	1	1		1				1			1															2
Hanna	1	15	3	12				3	1	2																18
Hinton	8	18	10	5	2		1	7	2	2	2		1													25
McLennan	2	2	2					1					1													3
Millet	1	1		1				1	1																	2
Mundare	1							1	1																	1
Ponoka	3	2		2				1		1										1		1				4
Redcliff	1	2	1				1	2		1			1													4
Redwater	1	2					2																1			2
Sexsmith	1																			1			1			1
Spruce Grove	3	10		10				1		1																11
Stony Plain	3	6	5	1				5	1		4															11
Strathmore	1	3		3				2	1	1																5
Sylvan Lake	2							1	1											1	1					2
Tofield	3	4	2	2				2		2																6
Two Hills	1	1		1				1	1																	2
Valleyview	6	29	14	1	13		1	6	1	3	1		1													35
Vegreville	14	9	5	2	2			11	4	7																20
Viking	4	4	4					4	4																	8
Wainwright	1	1				1		1				1														2
Westlock	1							1	1																	1
Whitecourt	3																			16	3		12	1		16
Mun. Crowsnest Pass	2	1		1				2	1	1																3
TOTALS	81	139	58	50	25	1	5	70	22	27	16	1	4							21	4	1	15	1		230

1985 APPEALS

ALBERTA ASSESSMENT APPEAL BOARD

IMPROVEMENT DISTRICTS	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Conf.	Dism.	C/Q	WD	Imp. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Bus. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Loc. Improv.	Adj.	Conf.	Dism.	C/Q	WD	
#8	94	95	86	4	4		1	19	8	5	5		1													114
#14	6	5	3	1	1			5	2	2		1														10
#16	1							1			1															1
#17	10	46	36	8	2			7	2	4	1															53
#17E	1	2			2																					2
#18	3							13	4		9															13
#21	1							1			1															1
#22	1							1	1																	1
#23	1							1			1															1
TOTALS	118	148	125	13	9		1	48	17	11	18	1	1													196

1985 APPEALS

ALBERTA ASSESSMENT APPEAL BOARD

MUNICIPAL DISTRICTS	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Conf.	Dism.	C/Q	WD	Imp. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Bus. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Loc. Improv.	Adj.	Conf.	Dism.	C/Q	WD	
#14 Taber	2	6	6																							6
#26 Willow Creek	2	3		2			1	2	1				1													5
#31 Foothills	18	22	10	2	6	1	3	15		3	6	5	1													37
#44 Rocky View	21	29	8	13	8			12	2	5	5									16				16		57
#47 Starland	2	3	3					2		2																5
#48 Kneehill	1	2			2																					2
#61 Wainwright	1	1		1				1		1																2
#90 Sturgeon	9	61	31	24	6			7		2	5															68
#92 Westlock	18	29	28	1				3	2	1																32
#99 Clearwater	5	6	4		2			2		1	1															8
#136 Fairview	2	2	1		1			1	1																	3
TOTALS	81	164	91	43	25	1	4	45	6	15	17	5	2							16				16		225

1985 APPEALS

ALBERTA ASSESSMENT APPEAL BOARD

COUNTIES	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Conf.	Dism.	C/Q	WD	Imp. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Bus. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Loc. Improv.	Adj.	Conf.	Dism.	C/Q	WD	
#1 Grande Prairie	1	1	1																							1
#2 Vulcan	5	20	18	1	1			4	1	2	1															24
#3 Ponoka	7	7	5	1	1			4		2	1	1														11
#4 Newell	3	2		1			1	3		2			1													5
#5 Warner	1	14	14																							14
#6 Stettler	6	4	2	1	1			3	2				1													7
#7 Thorhild	26	40	27	10	3			5	3	2																45
#8 Forty Mile	2	2	2					2	1	1																4
#9 Beaver	1	1			1			1			1															2
#10 Wetaskiwin	68	208	112	39	54	1	2	37	10	19	7		1													245
#11 Barrhead	1	1			1			1			1															2
#12 Athabasca	7	6	2		4			5		1	3	1														11
#13 Smoky Lake	4	4	3	1				2	1	1																6
#14 Lacombe	6	1		1				12	8	2	2															13
#16 Wheatland	2	1		1				2	2																	3
#17 Mountainview	20	34	26	8				22	9	9		4														56
#19 St. Paul	1	1			1			1			1															2
#20 Strathcona	2							2	1	1																2
#21 Two Hills	1							4	2	2																4
#23 Red Deer	10	58	11	1	43		3	5	2	1	1		1													63
#25 Leduc	3	92	2	90																						92
#26 Lethbridge	4	21	15	5	1			3		3																24
#27 Minburn	5	9	9					3	1	1		1														12
#28 Lac Ste Anne	39	64	18	32	2		12	19	9	8	1		1													83
#29 Flagstaff	3	2	2					6	4	1	1															8
#30 Lamont	11	10	4		6			11	4		6	1														21
#31 Parkland	19	53	26	23	3		1	14	4	6	3		1													67
TOTALS	258	656	299	215	122	1	19	171	64	64	29	8	6													827

1985 APPEALS

ALBERTA ASSESSMENT APPEAL BOARD

CITIES	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Conf.	Dism.	C/O	WD	Imp. Assess.	Adj.	Conf.	Dism.	C/O	WD	Bus. Assess.	Adj.	Conf.	Dism.	C/O	WD	Loc. Improv.	Adj.	Conf.	Dism.	C/O	WD	
Calgary	230	2157	121	821	1174		41	434	37	18	346	1	32	7	1	2	2	2		5	1		4			2603
Camrose	1							1		1																1
Drumheller	1	1		1				1	1																	2
Edmonton	144	141	16	50	26		49	103	50	17	12		24	40	9	14	12		5	16	5		10		1	300
Grande Prairie	7	11	7	4				2		2																13
Leduc	2	1	1					2		2																3
Lethbridge	11	6	2	2	1		1	9	5	2	1		1	9	2		4		3							24
Medicine Hat	9	3	2		1			10	5	2	2	1														13
Red Deer	29	129	64	53	3		9	126	66	50	7		3													255
St. Albert	1							1	1																	1
TOTALS	435	2449	213	931	1205		100	689	165	94	368	2	60	56	12	16	18	2	8	21	6		14		1	3215

1985 APPEALS

ALBERTA ASSESSMENT APPEAL BOARD

SCHOOL DISTRICTS	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Conf.	Dism.	C/O	WD	Imp. Assess.	Adj.	Conf.	Dism.	C/O	WD	Bus. Assess.	Adj.	Conf.	Dism.	C/O	WD	Loc. Improv.	Adj.	Conf.	Dism.	C/O	WD	
Banff #102	9	10	5	5				5	3	2																15
Lake Louise #1063	9	5		5				4	2	2																9
TOTAL	12	15	5	10				9	5	4																24

1985 APPEALS

ALBERTA ASSESSMENT APPEAL BOARD

SUMMARY OF 1985 APPEALS	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Conf.	Dism.	C/Q	WD	Imp. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Bus. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Loc. Improv.	Adj.	Conf.	Dism.	C/Q	WD	
10 Cities	435	2449	213	931	1205		100	689	165	94	368	2	60	56	12	16	18	2	8	21	6		14		1	3215
27 Counties	258	656	299	215	122	1	19	171	64	64	29	8	6													827
9 Improvement Districts	118	148	125	13	9		1	48	17	11	18	1	1													196
11 Municipal Districts	81	164	91	43	25	1	4	45	6	15	17	5	2							16				16		225
2 School Districts	12	15	5		10			9	5	4																24
3 Special Areas	3	10		10				2		2																12
34 Towns	81	139	58	50	25	1	5	70	22	27	16	1	4							21	4	1	15	1		230
18 Villages	33	130	62	61	1		6	16	7	7			2							2	1		1			148
TOTAL	1021	3711	853	1323	1397	3	135	1050	286	224	448	17	75	56	12	16	18	2	8	60	11	1	30	17	1	4877

1985 Equalized Assessment
Appeals (as per attached schedule)

1985 E.P.P.L. Assessment
Appeals (as per attached schedule)

1985 EQUALIZED ASSESSMENT APPEALS

ALBERTA ASSESSMENT APPEAL BOARD

	No. of Appellants	Confirmed	Reduced	Dismissed	Withdrawn
EQUALIZED ASSESSMENTS	4	1	2	1	
EQUALIZED ASSESSMENTS (Varied for purposes of the Provincial School Foundation Fund)			2	1	
TOTALS	4	1	4	2	

1985 ELECTRIC POWER AND PIPELINE ASSESSMENT APPEALS

E.P.P.L. ASSESSMENTS	20				20
TOTALS	20				20

SPECIAL AREAS BOARD

The Special Areas Board operates under the authority of the Special Areas Act. The board performs duties as assigned by the Minister of Municipal Affairs in the administration of approximately 5.2 million acres of land in southeast Alberta.

Current Year Highlights

The agricultural community was again hard hit by drought during 1985. Drought assistance programs, however, have enabled the farmers and ranchers to continue with their farming operations and purchase the necessary feed supplies for wintering of cattle.

The Sheerness-Deadfish irrigation project was fully operational in 1985 and provided a much needed feed supply for that portion of the Special Areas. Approximately 4,500 acres were irrigated in 1985 and the demand continues to increase for more irrigation.

The Sheerness plant was all but completed in 1985 with the proposed start up date slated for 1986. With the Sheerness plant operational, the area will receive some economic stability, which will be very helpful as the agricultural community suffers from drought and low prices for its products.

Favourable conditions in 1985 enabled the Special Areas to complete 101 miles of road construction, as well as 16 miles of new oil and 10 miles of base course, engineered by Alberta Transportation. Over 700 miles of roads were gravelled or regravelled during the year.

Up tc December 31, 1985, the Special Areas have sold 485,680 acres of tax recovery land since the program was approved in 1981. This program has proven very beneficial to the residents of the Special Areas.

Taxes and lease rental arrears continue to be at a low percentage of the total tax base. Most farmers and ranchers were able to meet their tax obligations during 1985.

Additions to the fixed assets amounted to $2,019,684. This included a new administration office at Oyen, addition to the Youngstown Service Centre, a fire hall at Homestead Coulee and purchase of road equipment.

The Blood Indian Development Committee was formed and a grant of $100,000 was received from Alberta Recreation and Parks. Plans were prepared and development initiated. The work completed in 1985 included eight pump-out toilets, two water wells, trailer sewage disposal, the planting of 600 trees, picnic tables and development of sites. The ground work was laid for extensive development in 1986.

Other 1985 developments and activities are presented in the following five year summary.

OPERATIONS	1985	1984	1983	1982	1981
ISSUES:					
Mineral Surface Leases	252	123	137	369	435
Development Control Permits	54	25	9	20	39
LEASES TRANSACTIONS:					
Assignments	135	165	180	202	504
Partial Assignments	52	36	44	55	36
Renewals	299	280	290	296	366
New Leases	51	40	50	56	77
Regrassing Permits	93	108	181	167	205
ROAD PROGRAM (in miles):					
New Construction	101	70	80.5	86.5	112.5
New Oiled	16	23	0	24	53
Gravelling	703	835	548	818	931
COMMUNITY PASTURES:					
Number of Cattle Managed	8,719	9,248	9,196	9,467	8,816
Number of Calves Managed	5,404	5,375	5,450	5,594	5,400

ALBERTA LEGISLATURE

OFFICE OF THE AUDITOR GENERAL

AUDITOR'S REPORT

To the Minister of Municipal Affairs

I have examined the balance sheet of the Special Areas Trust Account as at December 31, 1985 and the statements of revenue, expenditure and surplus, capital reserves, equity in fixed assets and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Trust Account as at December 31, 1985 and the results of its operations and the changes in its financial position for the year then ended in accordance with the disclosed basis of accounting, considered appropriate in the circumstances, as described in Note 2 to the financial statements applied, after giving retroactive effect to the change in the mineral surface lease revenue accounting policy as described in Note 3 to the financial statements, on a basis consistent with that of the preceding year.

Donald D. Salmon C.A.
Auditor General

Edmonton, Alberta
April 8, 1986

SPECIAL AREAS TRUST ACCOUNT
BALANCE SHEET
AS AT DECEMBER 31, 1985

	1985	1984
ASSETS		
Current:		
Cash (Note 4)	$13,433,547	$12,787,240
Accounts receivable, net (Note 5)	2,756,737	2,403,287
Taxes and grants in lieu receivable, net	237,051	271,340
Inventories (Note 2)	1,024,329	1,057,628
Prepaid expenses	12,035	—
	17,463,699	16,519,495
Non-Current:		
Accounts receivable, net (Note 5)	15,536,478	14,897,583
Investments:		
Alberta Municipal Financing Corporation shares, at cost	150	150
Fixed, at cost (Notes 2 and 6)	14,747,972	13,078,571
	$47,748,299	$44,495,799
LIABILITIES AND TRUST EQUITY		
Current:		
Due to Province of Alberta, net (Note 7)	$ 1,142,566	$ 2,142,278
Accounts payable and accruals	708,974	408,661
Deferred revenue	98,193	93,187
	1,949,733	2,644,126
Trust Equity:		
Operating surplus (Note 3)	3,761,595	4,085,812
Capital reserves (Note 2)	27,288,999	24,107,290
Fixed assets (Note 2)	14,747,972	13,078,571
	45,798,566	41,851,673
	$47,748,299	$44,495,799

The accompanying notes are part of these financial statements.

SPECIAL AREAS TRUST ACCOUNT
STATEMENT OF REVENUE, EXPENDITURE AND SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 1985

	1985	1984
REVENUE		
General Municipal:		
Taxation:		
Power and pipeline	$ 4,564,570	$ 4,293,329
Real property	3,216,412	2,972,592
Grazing taxes	856,962	832,789
Provincial grants in lieu of taxes	66,057	60,265
Mobile home license fees	2,224	2,384
	8,706,225	8,161,359
Less: Expended by transfers:		
Supplementary school requisitions	3,345,204	3,155,969
Provincial school foundation	1,838,070	1,590,811
Homes for aged requisitions	235,528	207,613
Hospital requisitions	109,008	123,665
Alberta Planning Fund	48,801	47,960
Industrial tax transfers	24,180	23,580
	5,600,791	5,149,598
Net taxes for municipal purposes	3,105,434	3,011,761
Tax recovery land sales (Note 8)	3,633,623	6,360,425
Leases	3,603,206	3,725,637
Provincial grants (Note 9)	3,239,643	3,216,320
Interest	2,690,400	2,120,565
Other	572,277	421,537
	16,844,583	18,856,245
Transfer from capital reserves	88,468	150,000
TOTAL REVENUE	$16,933,051	$19,006,245

SPECIAL AREAS TRUST ACCOUNT
STATEMENT OF REVENUE, EXPENDITURE AND SURPLUS (continued)
FOR THE YEAR ENDED DECEMBER 31, 1985

	1985	1984
EXPENDITURE		
General Municipal:		
Transportation services	$11,651,915	$ 9,280,423
Administrative services	1,453,288	1,287,692
Environmental development services	542,476	732,728
Recreational, cultural and educational services	227,681	289,993
Protective services	269,248	211,508
Health and welfare services	45,340	34,125
	14,189,948	11,836,469
Transfers to capital reserves:		
Tax recovery land sales	3,551,184	6,350,607
Municipal debt reduction	96,136	105,580
	3,637,320	6,456,187
TOTAL EXPENDITURE	17,837,268	18,292,656
Surplus (deficit)	(904,217)	713,589
Add: Surplus at beginning of year as previously reported	5,030,006	4,216,147
Adjustment due to change in accounting policy (Note 3)	(364,194)	(263,924)
As restated	4,665,812	3,952,223
Surplus at end of year	$ 3,761,595	$ 4,665,812

SPECIAL AREAS TRUST ACCOUNT
STATEMENT OF CAPITAL RESERVES
FOR THE YEAR ENDED DECEMBER 31, 1985

	1985	1984
TAX RECOVERY LAND SALES RESERVE		
Balance at beginning of year	$23,174,141	$16,823,534
Add: Net sales transferred from operations	3,551,184	6,350,607
Balance at end of year	26,725,325	23,174,141
MUNICIPAL DEBT REDUCTION RESERVE		
Balance at beginning of year	932,040	976,460
Add: Interest transferred from operations	96,136	105,580
	1,028,176	1,082,040
Less: Funding of research transferred to operations	—	150,000
Funding of capital expenditure transferred to unexpended capital funds	500,000	—
Balance at end of year	528,176	932,040
PUBLIC RESERVE		
Balance at beginning and end of year	1,109	1,109
UNEXPENDED CAPITAL FUNDS		
Appropriation from municipal debt reduction reserve	500,000	—
Proceeds from sales of fixed assets	88,468	—
	588,468	—
Cost of fixed assets financed through capital reserve	(465,611)	—
Uncommitted funds transferred to operations	(88,468)	—
Balance at end of year	34,389	—
TOTAL CAPITAL RESERVES	$27,288,999	$24,107,290

SPECIAL AREAS TRUST ACCOUNT
STATEMENT OF EQUITY IN FIXED ASSETS
FOR THE YEAR ENDED DECEMBER 31, 1985

	1985	1984
Balance at beginning of year	$13,078,571	$11,978,626
Add: Purchase of fixed assets		
Transportation services	1,555,472	1,005,529
Environmental development services	24,589	54,127
Administrative services	348,522	51,501
Protective services	91,101	42,740
	2,019,684	1,153,897
	15,098,255	$13,132,523
Less: Excise tax rebate on construction costs	—	53,952
Disposal of fixed assets	350,283	—
Balance at end of year	$14,747,972	$13,078,571

SPECIAL AREAS TRUST ACCOUNT
STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 1985

	1985	1984
SOURCES OF CASH:		
CASH FROM OPERATIONS:		
Surplus as reported	$ –	$ 713,589
Less: Transfers from capital reserves	–	150,000
	–	563,589
CASH FROM CAPITAL SOURCES:		
Tax recovery land sales, net	3,551,184	6,350,807
Interest on municipal debt reduction funds	96,136	105,380
Proceeds of sales of fixed assets	88,468	–
	3,735,788	6,456,187
TOTAL CASH PROVIDED	$ 3,735,788	$ 7,019,776
USE OF CASH:		
CASH APPLIED TO OPERATIONS:		
Deficit as reported	$ 904,217	$ –
Add: Transfers from capital reserves	88,468	–
	992,685	–
CASH APPLIED FROM CAPITAL RESERVES:		
Fixed assets financed from capital reserves	465,611	–
CASH APPLIED FROM WORKING CAPITAL:		
Increase in non-cash current assets	297,897	474,582
Decrease (increase) in current liabilities	694,393	(142,942)
Increase in non-current assets	638,895	3,420,016
	1,631,185	3,751,656
TOTAL CASH APPLIED	$ 3,089,481	$ 3,751,656
Increase in cash	646,307	3,268,120
Cash at beginning of year	12,787,240	9,519,120
Cash at end of year	$13,433,547	$12,787,240

SPECIAL AREAS TRUST ACCOUNT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1985

NOTE 1 AUTHORITY

The Special Areas Trust Account operates under the authority of the Special Areas Act, Chapter S-20, Revised Statutes of Alberta 1980.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

(a) General:

These financial statements have been prepared in accordance with generally accepted accounting principles except that:

(i) Fixed assets (other than tax recovery land) are charged to operating expense or to capital reserve at date of acquisition. Fixed assets having an original cost greater than $2,500 are shown on the balance sheet at cost with the offsetting credit to equity in fixed assets. No provision is made for depreciation of fixed assets.

(ii) Revenues from crop shares, mineral surface leases and Wheat Board adjustments are recorded when received. Accordingly, an undetermined amount of revenue receivable from these sources is not reflected in these financial statements.

(iii) Transfers between operating surplus and capital reserves are reported as expenditures and revenues.

(iv) Tax recovery land is not valued for balance sheet purposes. There is approximately 1.516 million acres of tax recovery land which remains unsold as at December 31, 1985 (1984 – 1.590 million acres.).

(b) Inventories:

Inventories are valued at the lower of cost or net realizable value.

Cost is determined as follows:

	1985	1984
Gravel, first in first out	$ 408,981	$ 437,885
Parts and other, average cost	615,348	619,743
	$1,024,329	$1,057,628

(c) Capital Reserves:

The reserves have been established for the funding of any expenditure that the Minister of Municipal Affairs may authorize.

The reserves include revenue from the sale of tax recovery land, cash in lieu of public reserve and funds received under the Municipal Debt Reduction Act. Any interest earned on municipal debt reduction funds is also included.

NOTE 3 CHANGE IN ACCOUNTING POLICY

In prior years, revenue from mineral surface leases pertaining to the sale of tax recovery land was reported at the date of the sale of the land. Effective January 1, 1985, the Trust adopted the policy of reporting this mineral surface lease revenue when received. This change in accounting policy has been applied retroactively and has had the following effect on the financial statements.

	1985	1984
Decrease in revenue	$164,769	$100,270
Decrease in accounts receivable	$528,963	$364,194
Decrease in surplus at beginning of year	$364,194	$263,924
Decrease in surplus at end of year	$528,963	$364,194

NOTE 4 CASH

Cash includes a deposit of $12,819,994 in the Consolidated Cash Investment Trust Fund of the Province of Alberta (1984 – $12,412,693).

NOTE 5 ACCOUNTS RECEIVABLE, NET

Accounts receivable, net of applicable allowances for doubtful accounts are comprised of the following:

	1985	1984
Current:		
Tax Recovery:		
Land sales	$ 1,549,160	$ 1,324,718
Accrued interest	636,439	535,190
	2,185,599	1,859,908
Accrued interest	239,362	246,279
Leases	187,024	209,844
Recreation advances	36,735	29,315
Miscellaneous	108,017	56,141
	$ 2,756,737	$ 2,400,287
Non-Current:		
Tax Recovery:		
Land sales	$15,336,709	$14,737,528
Recreation advances	180,408	151,055
Miscellaneous	19,361	9,000
	$15,536,478	$14,897,583

Title to tax recovery land sold is not transferred from the Minister of Municipal Affairs to the purchaser until all purchase monies have been paid. If a purchaser defaults in payment, the agreement for sale may be declared null and void and all monies received may be retained by the Trust Account as liquidated damages.

NOTE 6 FIXED ASSETS

Fixed assets, at cost are comprised of the following:

	1985	1984
Land	$ 264,080	$ 179,982
Buildings	4,093,206	3,572,881
Vehicle and mobile equipment	9,706,263	8,861,931
Machinery and equipment	654,528	434,986
Electronic data processing equipment	20,577	19,466
Office equipment	9,345	9,345
	$14,747,972	$13,078,571

NOTE 7 DUE TO THE PROVINCE OF ALBERTA, NET

The net amount due to the Province of Alberta is comprised of the following:

	1985	1984
Due to the Province of Alberta:		
Salaries	$1,112,010	$3,153,545
Administration charges	94,428	87,370
Other	51,540	87,991
	1,257,978	3,308,906
Due from the Province of Alberta:		
Grants	(42,425)	(1,131,884)
Other	(72,987)	(34,944)
	(115,412)	(1,166,828)
	$1,142,566	$2,142,278

NOTE 8 TAX RECOVERY LAND SALE REVENUE

Tax recovery land sale revenue is comprised of the following:

	1985	1984
Land sales – agreements for sale	$3,063,000	[illegible]
Land sales – full payment	492,320	[illegible]
Mineral surface lease sales	78,303	[illegible]
	$3,633,623	[illegible]

NOTE 9 PROVINCIAL GRANTS

Provincial grant revenue is comprised of the following:

	1985	1984
Transportation	$1,946,940	[illegible]
Municipal Affairs	1,024,082	[illegible]
Agriculture (Agricultural Service Board)	147,681	[illegible]
Recreation and Parks	57,878	[illegible]
Utilities and Telecommunications	45,000	[illegible]
General Administration	18,062	[illegible]
	$3,239,643	[illegible]

NOTE 10 COMPARATIVE FIGURES

The 1984 figures have been reclassified where necessary to conform to 1985 presentation.

NOTE 11 APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by management.